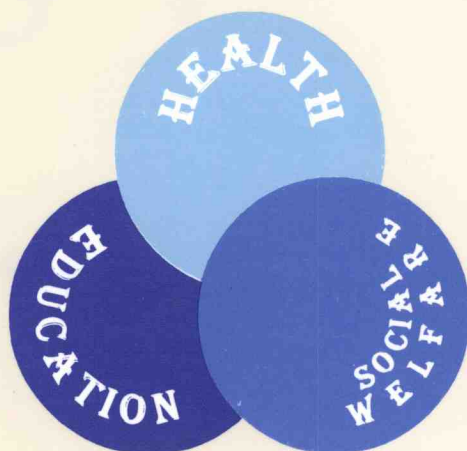


Social Sector Decentralization: Lessons from the Asian Experience



Trinidad S. Osteria
Editor

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Assessment of Social Policy Reform,
Program Initiative
International Development Research Centre
Ottawa, Canada

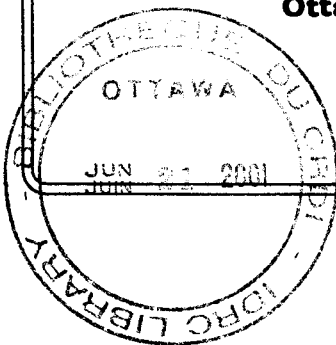
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Lessons from the Asian Experience**

edited by

Trinidad S. Osteria

**Assessment of Social Policy Reform,
Program Initiative
International Development Research Centre
Ottawa, Canada**



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300.008.042(5)

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200-0000

**Published in 1996
by Assessment of Social Policy Reform, Program Initiative
International Development Research Centre
Ottawa, Canada**

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**Printed by De La Salle University Press, Inc.
2504 Leon Guinto St., Malate, Manila, Philippines**

Foreword

Countries the world over are grappling with fiscal deficits, persistent poverty and popular demands for better social services. Slow economic growth, labour market difficulties, shifting demographics and social insecurity are global phenomena. Today, more than a billion people live in absolute poverty. An estimated 30 percent of the world's labour force is not productively employed, real wages have fallen in an average of five percent per year in the last decade, people in many countries are able to afford between 25 and 50 percent of a minimum diet, and the income gap between rich and poor has doubled in the last twenty five years.

The social development that most developing countries witness today is that despite unprecedented material progress and modernization in some areas, access to and quality of services in basic education, health care, and housing remain insufficient. A large proportion of people, including women, children, youth, and the unemployed still fall outside basic safety nets and social protection schemes.

This stark reality and the resulting demands are leading governments to re-evaluate their social policies and programs, re-examine social safety nets, and seek new options to reform social protection and welfare systems. One of the biggest challenges for governments lies in developing and maintaining effective social programs with diminishing public funds and scarce human resources. In many countries, governments are not in a fiscal position to increase social sector investments. They already invest a large proportion of Gross National Product (GNP) in basic education, primary health care and social security, and in most cases, they are not able to ensure that their investments

are effective. If government investments fail to reach those in need through effective social policies, development will not be sustained and market economies will be built on increasingly marginal populations and neglected cultures.

To meet the demands upon them, governments are considering options and experimenting with approaches such as decentralization, and associated measures including privatization, targeting and cost recovery schemes. One of the characteristics of this approach is the sharing of responsibilities and costs of social reforms with the users and beneficiaries. These measures -- meant to improve the delivery, reach, management and financing of social services -- affect the entire public policy cycle from design to delivery of programs and, hence, may have serious medium- and long-term repercussions on the satisfaction of the basic needs of vulnerable groups.

Reform options that transfer responsibilities for service provision to municipal and local government levels, for example, affect not only how social services are delivered but also their quality, and how they are managed and financed. Where such reforms are implemented without building municipal and community capacities to participate in social programs, and if early warning mechanisms are not in place to anticipate and assess the micro level impacts of such policies, they risk creating further inequalities.

Experiences in Asia, Africa, and Latin America show that too often, decentralization measures of social sector systems are implemented without a full understanding of what reform options work and under what social, economic, cultural, and institutional settings they work best. This knowledge gap has direct implications on the effectiveness and long-term impact of policy changes, as well as on the extent to which decentralized programs meet objectives of coverage, equity, targeting efficiency, quality, and cost-benefit ratios.

While in most countries the state still plays a major role in the design, financing, implementation, and management of social services, the notion of the state as the main provider of these services is being put into question. Under conditions of economic globalization, the state can no longer be a guarantee for equitable distribution of wealth, satisfaction of basic needs, or a means to prevent marginalization. This reality is forcing governments, community groups, and private sector organizations to look for alternatives to change social policy systems and social safety net practices.

In this context, social policies often respond to various interests and perceptions about the type of society these policies contribute to build. Changing social policy systems implies dealing with conflicting demands and expectations in terms of resources, political impact or benefits to target groups. In some countries, this can take a critical dimension as these shifts have major implications for NGOs, neighbourhood associations and community organization expected to play new and more direct roles in service provision.

The *Assessment of Social Policy Reform*, Program Initiative, of the International Development Research Centre (IDRC) of Canada, considers this book to be a valuable contribution to understanding the complexities in the current social policy environment in many developing countries. The lessons drawn from the research leading to the various chapters in this book are a valuable illustration of several key experiences aimed at improving social and human development in selected countries in Asia.

Daniel A. Morales-Gomez
Senior Scientist and Team Leader
Assessment of Social Policy Reform
International Development
Research Centre

**This is the product of a regional research
collaboration involving the following scholars:**

- 1. Dr. Manasse Malo
Inter University Center for Social Sciences
University of Indonesia
Jakarta, Indonesia**
- 2. Dr. Boonlert Leoprapai
Institute for Population and Social
Research
Mahidol University
Bangkok, Thailand**
- 3. Dr. Bui Gia Thinh
National Institute for Educational Sciences
Hanoi, Vietnam**
- 4. Dr. Trinidad Osteria
Social Development Research Center
De La Salle University
Manila, Philippines
(Regional Coordinator)**

“Social development through decentralization is a process by which the members of a society increase their personal and institutional capacities to mobilize and manage resources to produce sustainable and justly distributed improvements in their quality of life consistent with their own aspirations.”

Korten, 1990¹

Acknowledgment

This monograph is the output of a regional research project carried out by four institutions in the Asian region: the Institute for Population and Social Research of Mahidol University in Thailand; the Inter University Center for Social Sciences of the University of Indonesia; the National Institute for Educational Sciences of Vietnam; and the Social Development Research Center of De La Salle University in the Philippines. The collaborating researchers were Dr. Boonlert Leoprapai, Dr. Manasse Malo, Dr. Bui Gia Thinh, and Dr. Trinidad Osteria. We wish to thank the International Development Research Centre (IDRC), particularly Dr. Daniel Morales-Gomez, for the financial support extended to make possible the conduct of this research. Our gratitude and appreciation go to the representatives of the sectoral agencies and the local government units, for providing the focus of the research and sharing their experiences and insights on local governance.

Finally, the proofreading assistance of Ms. Maria Elena Bautista and the secretarial support of Ms. Amparo Navarro are acknowledged.

Table of Contents

Foreword

Chapter I

Decentralization in the Social Sector in the Asian Region: The Conceptual Paradigm <i>Trinidad Osteria</i>	1
--	---

Chapter II

Philippines: Implementation of the Local Government Code: Problems and Challenges <i>Trinidad Osteria</i>	16
---	----

Chapter III

Thailand: Translating Policy Into Action <i>Boonlert Leorapat</i>	84
---	----

Chapter IV

Indonesia: Setting the Stage for Full Regency Autonomy by 1997 <i>Manasse Nalo</i>	124
--	-----

Chapter V

Vietnam: Decentralization Through People's Council, People's Committees and Social Organizations <i>Bui Gia Thinh</i>	160
---	-----

Chapter VI

Social Sector Decentralization in the Asian Region: Analysis of Process and Outcomes <i>Trinidad Osteria</i>	212
--	-----

Bibliography	
List of Tables	
List of Figures	

List of Figures

Philippines:

- | | |
|----------|---|
| Figure 1 | Conceptual Framework for the Assessment of the Implementation Strategies for Decentralization Policies |
| Figure 2 | Conceptual Framework for the Process Diagnosis of Decentralization Implementation in Selected Countries in the Asian Region |

Thailand

- | | |
|----------|---|
| Figure 1 | Administrative Structure of Thailand (as of 1993) |
|----------|---|

Indonesia

- | | |
|----------|--|
| Figure 1 | The Structure of Decentralization |
| Figure 2 | The Structure of Deconcentration |
| Figure 3 | The Structure of <i>Medebewin</i> |
| Figure 4 | Decentralization Variants |
| Figure 5 | Decentralization Structure of Education Programme in West Java |
| Figure 6 | Decentralization Structure of Education Programme in Bali |
| Figure 7 | Decentralization Structure of Health Programme in West Java |

- | | |
|------------------|---|
| Figure 8 | Decentralization Structure of Health Programme in Bali |
| Figure 9 | Decentralization Structure of Social Programme in West Java |
| Figure 10 | Decentralization Structure of Social Programme in Bali |
| Figure 11 | Pilot Project of Decentralization in West Java: Organizational Structure |
| Figure 12 | Structure of the Decentralization Mechanism of Social Programmes in Bali |

Vietnam

- | | |
|-----------------|---|
| Figure 1 | The Educational Management System in Vietnam |
| Figure 2 | Flow of Funds for Education |
| Figure 3 | Present Health Sector Management System |
| Figure 4 | Pre-1995 Health Sector Management System |
| Figure 5 | District Health Center Chart |
| Figure 6 | Components of Health Care in Vietnam |

List of Tables

Philippines

- | | |
|---------|--|
| Table 1 | Monitoring and Evaluation Indicators
(Qualitative and Quantitative) |
| Table 2 | Issues and Concerns on
Decentralization |

Vietnam

- | | |
|---------|--|
| Table 1 | Specific Tasks and Functions
of Doctors |
| Table 2 | Absolute Poverty (Below 1.5 kg.
of Consumption of Rice/Person/Month) |
| Table 3 | Chronically Severe Starvation
(Below 8 kgs. of Consumption of
Rice/Person/Month) |

CHAPTER I

Decentralization in the Social Sector in the Asian Region: The Conceptual Paradigm

Trinidad S. Osteria

Over the past two decades, the direction of development strategy in many Asian countries has shifted and raised many questions on the efficiency and effectiveness of the centralized modality within the political framework of each country. The surge in interest in the process and impact of decentralization emanates from two converging forces: the inability of centralized plans to achieve the growth with equity goals enunciated in many development policies; and the increasing complexity of Asian societies with the rapid expansion of the economy calling for the devolution of authority and functions to the local agencies. Experience has shown that previous attempts by governments to transform their administrative systems did not achieve the much sought after results. The interest of some groups were advanced over those of the others; the patterns of resource allocation were altered; the scope of political influence expanded or contracted; and access to social services was either increased or restricted.

Decentralization has been operationalized in different ways by different governments. It is defined broadly to mean the transfer of planning, decision-making, and administrative authority from the central government to the local administrative units, local government, or non-governmental organizations. Deconcentration involves the distribution of administrative responsibilities within the central government - a shift from the central ministry to its own field staff located in offices outside the national capital without transferring the authority to make decisions or exercise discretion on them. In many Asian countries, administrative decentralization is a response to the different ways regional development is being pursued. In Thailand, strategies were delineated in the Fourth National Development Plan (1977-1981) which decentralized basic economic services to increase rural production and social services to reach the maximum number of people. Provincial development

planning which was initiated in 1977 made the province the key unit in subnational development. Linkages were forged between the national and provincial units. In the Philippines, the 1987 Constitution enunciated that the decentralization policy is a way of substantiating its democratization philosophy. Local governments were transformed into self-reliant communities and active partners in the attainment of national goals through a more responsive and accountable structure. In Indonesia, strategies for rural development assumed two forms: one embodied in the sectoral development strategy through projects that cut across provinces; and the other through budget allocation where subsidies were allotted to local governments to implement projects that they have selected. Provincial governments prepare their own plans within the guidelines established by the central government. Local and regional needs are identified by the local governments.

The "economic renovation" in Vietnam known as the Doi Moi provided the impetus to countryside initiatives in land utilization, production organization, and social welfare. Such decentralization addresses a number of issues: human resource development, population redistribution, welfare services, and education.

Sustained social development for ensuring a progressively higher level of well-being is the preoccupation of every contemporary government in Asia, irrespective of ideology. How decentralization, as a mechanism for its realization, has been attempted or attained and what responses the strategies have evoked vary from country to country. Likewise within a country, strategies for decentralization and the societal responses have assumed different forms over time. Countries are in a position to observe each other's performances and are increasingly learning from each other's experiences. How decentralization functions in each country and the degree to which modalities have optimized the human welfare functions will delineate the priorities for programs and policy determination. The oft-quoted success and failure stories across countries, variations in the pace of program implementation, and intertemporal and intergroup variabilities in welfare, have strong cause-and-effect relationships in social development. There is a need to examine in detail the dynamics of decentralization within each country, its relation to social development, and the impact on human welfare.

Decentralization is viewed as a combination of administrative reform and political strategy. As an administrative reform, it emphasizes: (a) increased efficiency in government's operation; (b) more effective integration of development programs at local levels; and (c) increased performance accountability on the part of the administration and local governments. As a political strategy, it aims for (a) increased popular participation in plan formulation and implementation; (b) enhanced role for local areas in development activities; and (c) more equitable distribution of resources (manpower, finance, and equipment).² Given the complexity of the change process by which Asian governments have introduced decentralization and with limited preparation and inadequate administrative and physical infrastructure, any attempt to assess success or failure would have to consider the dynamics of the process. While the projected results may not have been achieved, there are incipient signs of progress in reaching important goals. It can be asserted that decentralized programs are presently based on the needs and priorities of the population, as perceived by government planners and policy-makers, and these are being done substantially with greater people-involvement than ever before. On the other hand, Asian countries are experiencing many of the problems inherent in an undertaking that requires the application of new skills and attitudes and the arbitration of diverse interests and priorities. The more significant concerns fall into three broad categories:

1. Institutionalization within local government units of the commitment and the organizational/technical skills if leaders are to take the responsibility for local governance;
2. Accountability of administrative bureaucrats in performance of their social development roles; and
3. Resolution of emerging conflicts between sectoral and local areas' interests and priorities.

The needed orientation toward decentralization is not a simple matter of policy choice since government action is deeply embedded in bureaucratic structures and process within which policy is formulated and implemented.

Review of Related Literature

There has been a marked increase in literature on decentralization in the past years. However, most of these studies have been carried out in isolation, making systematic generalization difficult. The level of analysis remained perfunctory, preventing anything more than broad, superficial generalizations. Moreover, there is a serious lack of communication between practitioners involved in decentralization programs, and researchers.

During the 1970's and early 1980's, a large number of politically, economically, and ideologically diverse countries began decentralizing some of their development planning and management functions. A World Bank review of a variety of experiences with decentralization in a large number of developing countries indicated that the actual impact of decentralization is justified by the number of countries where small but clear-cut improvements have occurred as a result of decentralization programs. Perceptible improvements were shown in resource distribution, local participation, extension of public services, project identification and employment generation.³ Since the early 1970's, in Indonesia, the Philippines, and Thailand, deconcentration has been encouraged through financial grants from central governments to provincial, district, or local administrative units. In Thailand, from 1979 to 1982, a proportion of the national budget was set aside to enable provincial governments to assist village councils to implement small-scale employment generating projects. In Indonesia, the central government provides resources from foreign assisted funds and the national budget, through the Provincial Development Program, to enable provincial and local planning units to undertake socio-economic programs. It has become clear that to operationalize the decentralization process, a bureaucratic reorientation is needed that includes incentives, supervision, personnel, procedures, training, and guidelines. Such a bureaucracy should work more in an enabling rather than controlling mode.⁴ Demaine and Malong reviewed the administrative frameworks for implementing decentralized planning in six Asian countries (Bangladesh, India, Nepal, the Philippines, Sri Lanka and Thailand) and noted the central governments' lack of commitment to decentralization as well as unwillingness to shift

decision-making and fiscal power to local organizations. However, the review overlooked the conceptual problems of decentralization, political organization, and social processes that are relevant to the scheme.⁶ Wunsch noted that reform efforts of decentralization are weakend because of the focus on the organizational problems per se and not the interrelations of institutions and individuals as they affect performance.⁶ Substantial barriers to the adoption of decentralization include lack of finances, administrative capability, and technical assistance.⁷ Khambu stated that should Thailand pursue complete decentralization through deconcentration and devolution of political power to the regions and localities, there should be serious attempts on the part of the central government to promote local self government and encourage participation from all sectors of society.⁸

The literature reviewed clearly illustrated the importance of basing actions on an analysis of the current program operations and of the constraints militating against the performance of functions. The implications bring to bear the problems of operations of decentralized programs with the following prescriptions:⁹

1. Local governments must address the existing bureaucratic obstacles to effective local level action such as the rigidity of the financial systems and central structure;
2. They must develop planning methodologies which address the issues of mobilization of existing resources, targeting, coordination, planning, and management; and
3. They must look in operational terms at the problems of mobilizing popular political participation and the involvement of prospective beneficiaries.

Over the past half decade, a variety of social sector decentralization policies have been implemented by the governments in Asia. Some have been comprehensive in scope and designed to transfer development planning and management responsibilities to local government units. Others are more narrowly conceived; and simply designed to transfer functions from sectoral ministries to field agents. However, no systematic analysis of the process and outcomes has yet been undertaken.

The Need for Social Sector Decentralization Analysis in the Region

Institutional development and sustainability concerns highlight the importance of analyzing the process of decentralization at the local level. Interacting variables, not isolated factors, account for the success or failure of schemes. There is a wide variation of procedures at the local level which include sectoral dynamics, interpersonal relations, administrative processes, logistics, and political agenda that influence the experience. The multiplicity of goals, internal processes, and conflicts need to be documented to draw lessons from the experiences. Without an appreciation for what happens after policies are formulated and plans operationalized, the objectives are likely to be unrealized and the means of attaining them unsustainable. Until the situation is documented, decentralization efforts will continue to confront the same dilemma as centralized planning. Efforts must be made to examine the match between resources and objectives; organizations and functions; and development decision-making and local leadership in implementing and sustaining decentralized initiatives. Included are accountability, extent of participatory management, quality of communication, coordination, and local support. It has been posited that inappropriate decentralization policies are significant barriers to the achievement of goals. To many planners, it is considered the key constraint. However, country experiences suggest that the situation is more complex. The capability to manage a transition from a centralized to a decentralized program is inadequate in many countries. Furthermore, the prioritization of programs, resources mobilization for the financing of services, and decision-making are not merely technical details to be resolved by local government officials. Instead, they are politically charged issues that require skills in strategy development. The challenge is to select among a range of institutional configurations the optimal mix that will lead to an appropriate and self sustaining program. Decentralization is an intensive process and the selection of effective microlevel strategies is necessary to ensure the viability of schemes. One avenue to explore this is the mechanism of process diagnosis or social analysis. Development analysts are paying increased attention to the process of implementation and

planning. The important task is to examine the mechanism without losing sight of goals and purposes. There has been a concern that decentralization can easily turn into a cliché for those administering development. It is too easy to affirm its value while exerting little effort to make it a reality. Traditionally, those concerned with decentralization have emphasized the political process. At present, there is an increasing tendency to look at administrative processes as the stage within which local governments can be effective and where more people are involved. If the implementation process becomes a focal point for people participation, greater responsibility will be placed on local government leaders. The temptation to coopt the participants to meet the needs of administrators is great, considering the scarcity of resources. Yet, it remains true that the process of development requires involvement by the people in shaping their future. Thus, it is worth dealing with the dilemmas that participation presents. Traditionally, local leaders have been heavily dependent on the central government for the actual preparation of plans and programs. These end up being written in technical parlance which is barely comprehensible to local elected officials. The difficulty they face is compounded by the fact that blueprints are merely handed to them for discussion, clarification, and debate on the pros and cons of a specific decision.

The review of the variety of decentralization policies that have recently been introduced in the Asian countries; the examination of the experiences with implementing them; and the identification of social, political, economic and administrative factors that influence the success or failure of decentralization programs will permit the exploration of alternative approaches to designing and administering programs and the prescription of modes by which implementation can be strengthened and improved. From the diversity of views comes a more balanced and objective examination of the relationships between decentralization and social development and a detailed assessment of the factors that are important for improving implementation in countries that have been committed to decentralizing their social planning and administrative processes.

The need for a more detailed analysis of decentralization particularly through in-depth empirical studies in individual countries

could reduce the complexity and misconceptions arising from the broad objectives set. A process diagnosis of mechanisms could provide the specific context within which one can examine conflicting approaches between the central and local government units and consensus that can be reached on certain issues. Empirical studies can facilitate comparisons and provide a more accurate picture of the similarities and differences in the constituent countries in the region. Decentralization should be viewed as a dynamic process of change which can facilitate other sets of changes and not simply a government structure.

In the formative stage of a country's decentralized development, most of the policies are closely linked with the promotion of regionalization in planning. However, there have still been continuous central control over decentralized procedures, limited popular participation, and a centrist ideology.

This manuscript aims to review the variety of decentralization policies and programs in four countries of the Asian region (Indonesia, the Philippines, Thailand, and Vietnam). Specifically, it purports to:

1. assess differentials in perceptions of decentralization and its implementation at the central and local levels and their effect on the performance of local government units;
2. review the roles and responsibilities of the central government, relevant ministries, local government units (provincial, municipal, and village) as well as non-government organizations in the planning and implementation of programs;
3. determine the extent and nature of structural linkages in planning and implementation of programs;
4. assess the variabilities in mechanisms for goal setting and implementation in the three social sectors (education, health, and welfare);

5. examine the various forms of support to programs and ways by which the local government units mobilize and extend them;
6. assess the extent to which the bureaucratic culture affects the decentralization process;
7. evolve indicators for evaluation of processes and outcomes from the providers' and beneficiaries' perspective; and
8. examine the prospect of improving effectiveness of decentralized schemes through a multisectoral approach that utilizes an optimum mix of bottom-up and top-bottom planning.

The Theoretical Construct

Two theoretical frameworks have been adopted from Rondinelli and Cheema to guide the analysis of the country's decentralization process. The objective from these frameworks is to enable the country research teams to examine the structure and processes of decentralization in the social sectors (health, education, and welfare) as they address the issues of equity, empowerment, and popular participation; and to ascertain how their components affect the welfare function. To guide future policy and program planning, the findings from this evaluation are presented in a form that gives an overall strategic perspective and specific suggestions for program operations. Thus, the two frameworks are sufficiently comprehensive and detailed to allow both types of results to be generated. In Figure 1, it can be seen that there is a need to match the desired scope of decentralization with its feasible scope. The desired scope implies the presence of regional and administrative capacity of leaders, adequate political support, as well as financial and technical support, and a supportive environment. These are the requisites for the planning and implementation of decentralized social programs that entail the design, establishment of implementation guidelines, mobilization of resources, creation of coordination and administrative linkages, as well as monitoring and evaluation. The adequate conduct of these activities can lead to the achievement of the goals of equity, accessibility to services, capability building, empowerment and

participation. Figure 2 depicts the interaction of the major factors that affect the performance of decentralized programs leading to desired impacts. Under the subheading of environmental conditions are economic background of the area, bureaucratic culture, policy-making procedures, local power structures, and explicitness of laws and regulations. The environmental factors interact with interorganizational relationships, resources, and characteristics of actors involved in program decentralization to elicit the impact required. Interorganizational relationships subsume clarity and consistency of objectives, roles, planning effectiveness, inter-organizational communications, and effectiveness of linkages. The resource subheading encompasses support of leadership, adequacy and control of resources, and costs. The local leaders' capability is assessed in terms of technical and managerial skills, capacity to coordinate activities, elicit support from other community members, linkages with beneficiaries, and quality of local leadership.

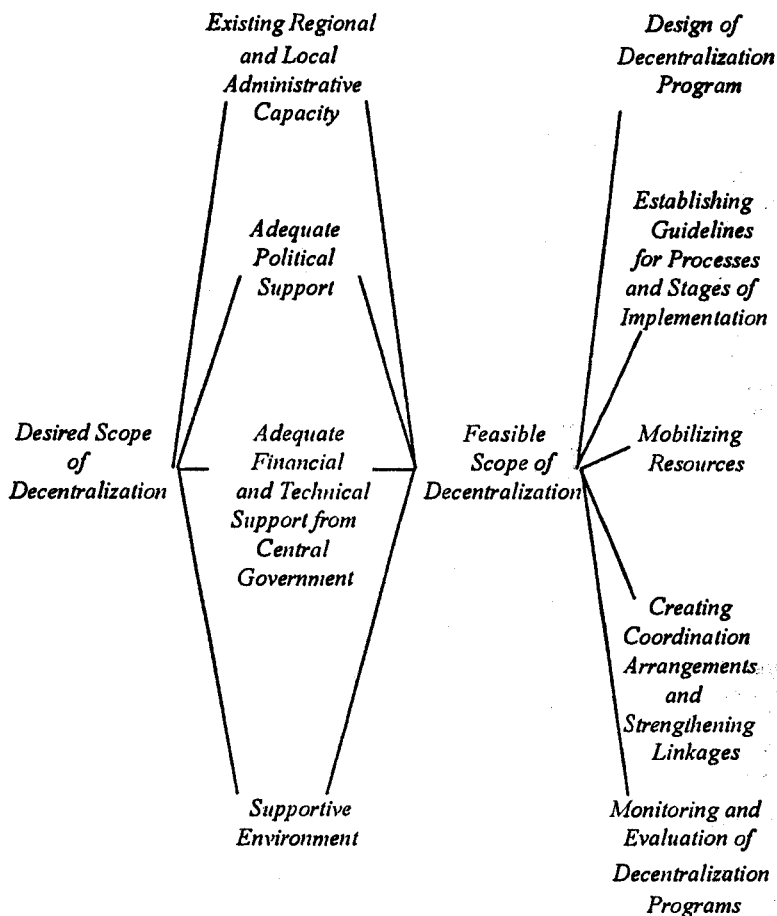


FIGURE 1

Conceptual Framework for the Assessment
of the Implementation Strategies for
Decentralization Policies

Source: Dennis Rondinelli; John Nellis and G. Shabeer Cheema.
Decentralization in Developing Countries: A Review of Recent Experiences.
World Bank Working Paper No. 581. 1982

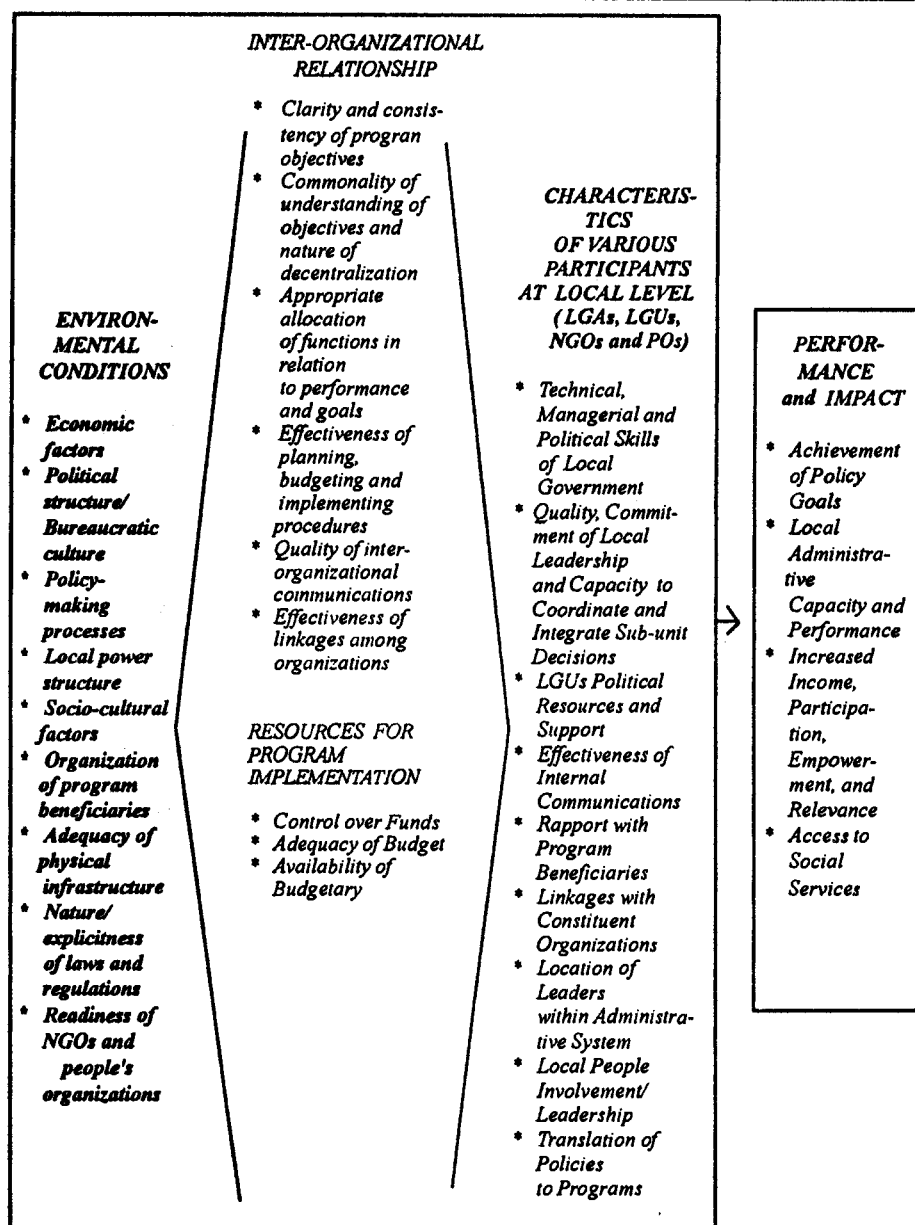


FIGURE 2
 Conceptual Framework for the Process Diagnosis
 of Decentralization Implementation
 In Selected Countries of the Asian Region

Source: Rondinelli et al. loc: cit

Methodology

The specific country chapter has three major components to address the objectives stated. First, documents on decentralization programs and policies were examined. Likewise, literature was reviewed to determine the extent of national empirical research in the field. From this compilation, the basic issues and themes underlying the current decentralization programs as conceived and implemented by policy-makers and program planners were extricated. Secondly, key informants who were responsible for the planning and implementation of decentralized programs in the social sectors at all levels (ministerial, provincial, municipal, and village) were interviewed to elicit their perceptions of the programs, adequacy of functions, effectiveness of implementation, linkages, resource mobilization, and technical capability. Program beneficiaries were likewise interviewed. Perceptions of process and outcome measures were extricated. Thirdly, country experiences were drawn to illustrate the processes utilized by the local governments in partnership with the nongovernment organizations and the community in the planning and delivery of social services, and the extent to which they accounted for the sustenance or failure of programs. Considerations were given to the social services delivered, coverage, priorities, resource mobilization, implementation obstacles, extent of NGO and community involvement, coordination, financing and support.

The major findings of this compilation were summarized on a national basis and compared cross nationally by looking across the three data sets (documents and literature review, and key informants interview) and drawing inferences as to how decentralized schemes can be adequately formulated in the social sector by highlighting issues of comprehensive coverage, emphasizing sectoral and structural links, and providing a better understanding of the complexities of the decentralization programs in the social sector within the region.

Organization of the Book

This book is divided into six chapters. The first chapter presents the conceptual paradigm in the analysis of decentralization in the social sectors. This details the justification for an in-depth analysis of the decentralization process based on the empirical studies previously undertaken. Chapters 2 to 5 present each country's policy and program on social sector decentralization and the issues emanating from the implementation. The final chapter recapitulates the research goals, compares the country experiences, and arrives at prescriptions for information dissemination, program implementation, training, and evaluation.

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CHAPTER II

Implementation of the Local Government Code in the Philippines: Problems and Challenges

Trinidad S. Osteria

"We must devolve and decentralize more of national administration so that the government truly reaches out to our citizenry, wherever they may live in our vast archipelago... Our goal is to promote speed in decision-making and action that yields quality results; and to increase effectiveness and impact in government operations despite funding constraints..."

President Fidel V. Ramos
State of the Nation Address
1992

History of Decentralization

As early as in 1972, the Philippines had recognized the need to decentralize the administration and management of economic and social programs in an effort to increase popular participation in development activities, ensure a more effective and efficient administration of local and rural development programs, and expand administrative capacity outside the capital. The major form of decentralization utilized in the Integrated Reorganizational Plan of 1972 known as IRP was deconcentration -- the shift of the workload from centrally located officials to staff or offices outside the national capital. Such mechanisms provided discretion to field representatives to plan and implement programs or projects and to adjust central directives to local conditions based on the guidelines set by the Central Department. This led to the establishment of regional offices throughout the country to facilitate

the planning and implementation of programs and the creation of regional sectoral offices in 1975 in the 13 (later 15) regions. However, its operationalization was impaired due to sheer absence of political will during the Marcos era (until 1985) and the lack of specific guidelines as to how the process was to proceed -- a predicament of the early years of the Aquino administration.¹ The 1986 Philippine Constitution succinctly stated that a "decentralization policy is a mechanism of substantiating its democratization philosophy" and it mandated Congress to enact a local government code that institutes "a system of decentralization in the approximation of powers, responsibilities, and duties entrusted to local level units, and in the allocation of resources."²

In its fifth regular session on October 10, 1991, the Congress of the Philippines, represented by the Senate and House of Representatives, duly approved Republic Act No. 7160, known as the Local Government Code of 1991, and its promulgation took effect on January 1, 1992.

Prior to the legislation of the Local Government Code of 1991, the Department of Interior and Local Government (DILG) conducted preliminary activities to provide the structure required to set the policy directions. Technical Working Groups (TWG) represented by various national government agencies and other institutions formulated the implementing rules and regulations to be checked by Monitoring Committees at the national, regional, provincial, city, and municipal levels. The National Monitoring Committee was represented by the Department of Finance (DOF), Department of Budget and Management (DBM), Senate and House of Representatives, the League of Provinces, Cities, Municipalities, and Barangays, Commission on Audit, and non-government agencies. As the local government units (LGUs) began to absorb the functions, personnel, and assets of central government, corresponding issues and problems emerged. Some of the concerns involved administrative non-viability, low financial absorptive capacity, and political intervention. Devolution took effect on June 30, 1992, when Executive Order No. 503 was enforced, requiring LGUs to enter into a Memorandum of Agreement (MOA) with the pertinent national agencies.

Financial Issues

To address the financial concerns of devolution, provinces, cities, municipalities, and barangays were each granted a definite set of taxing powers to exercise, either concurrently or exclusively. The Code introduced major innovations on the matter of local taxation. New tax rates were prescribed, tax sharing schemes were provided, and the scope of taxing policies was either widened or narrowed. As a result, taxes may be imposed on sales, donations, barter or any other mode of transferring ownership or title of real property; printing or publication business; any business enjoying a franchise; quarrying of stones, gravel; and other similar resources; theaters, cinemas, boxing studios, and other places of amusement; and vehicles to distribute distilled spirits, liquors, soft drinks, and cigarettes. Non-tax sources of revenue include the local revenue allotment (IRA). The others are the proceeds from the use and development of national wealth as well as credit financing. The IRA is based on the gross national internal revenue tax collection of the third fiscal year preceding the current fiscal year. In 1992, the IRA was 30%; in 1993, 35%; and in 1994 and after, 40% of the collection. The IRA is allocated in the following manner:

Provinces	-	23%
Cities	-	23%
Municipalities	-	34%
Barangays	-	20%

The share of each province, city and municipality is in turn computed using this formula:

Population	-	50%
Land Area	-	25%
Equal Sharing	-	25%

A barangay with a population of less than 100 shall receive a fixed sum of P80,000 per annum chargeable to the 20% IRA share of the barangays. The balance is allocated using the following:

Population	-	60%
Equal Sharing	-	40%

Each LGU is required to appropriate not less than 20% of its annual IRA for development projects, the plans of which are submitted to DILG. Credit financing enables local governments to create indebtedness and enter into credit and other financial transactions to finance local infrastructure and other socio-economic development projects according to the approved local development plan and public investment program. LGUs can also borrow from government, private banks, and lending institutions to stabilize local finances.

Special Bodies

Special bodies are either councils, committees or the like, which the Code creates to perform definite LGU functions. These are: the local prequalification bids and awards councils (PBAC), the local school board (LSB), the local health board (LHB), and the local peace and order council (POC).⁴

The Local Government Code of 1991: Philosophy, Goals, and Mechanism

The local government policy declares that the "territorial and political subdivisions of the state shall enjoy genuine and meaningful local autonomy to enable them to attain their fullest development as self-reliant communities and make them more effective partners in the attainment of national goals." All national agencies and offices are to conduct periodic consultations with appropriate local government units, non-governmental and people's organizations, and other concerned sectors of the community, before any program is implemented in their respective jurisdictions.

Basic Social Services and Facilities

Local government units shall discharge the functions and responsibilities of national agencies and offices devolved to them, pursuant to this code.

For a barangay, these include:

1. health and social welfare services such as the maintenance of a barangay health center and day-care center;

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2. services and facilities related to general hygiene and sanitation, beautification, and solid waste collection; and
 3. infrastructure such as a multi-purpose hall, sports center and other facilities for a municipality.

For a municipality, these include:

1. subject to the provisions of Title 5, Book 1 of this code, health services which cover primary health care, maternal and child health, communicable and non-communicable disease prevention and cure; access to secondary and tertiary health services; and purchase of medicines, medical supplies and equipment needed to carry out the services herein enumerated;
2. social welfare services which include programs and projects on the welfare of child and youth, family, community, women, elderly, and disabled persons; community-based rehabilitation programs for vagrants, beggars, street children, scavengers, juvenile delinquents, and victims of drug abuse; livelihood and other pro-poor projects; nutrition services; and family planning services; and
3. infrastructure such as public elementary and secondary schools; clinics, health centers and other facilities necessary to carry out the services.

For a province, these include:

1. subject to the provisions of Title 5, Book 1 of this code, health services of hospitals and other tertiary health care facilities;
2. social welfare services including programs and projects for rebel returnees and evacuees, relief operations, and population development; and
3. programs and projects for low-cost housing and other mass dwellings except those funded by the Social Security

System (SSS), Government Service Insurance System (GSIS), and Home Development Mutual Fund (HDMF), provided that national funds for these programs and projects shall be equitably allocated among the regions in proportion to the ratio of the homeless to the population.

Local Support

The basic services and facilities enumerated shall be funded from the share of local government units from the proceeds of national taxes and other local revenues and funding support from the national government, its instrumentalities, and government-owned or controlled national corporations tasked by the law to maintain them. Regional offices of national agencies whose functions are devolved to local government units shall be phased out within one year from the approval of the code. Field offices of national agencies will be established for monitoring purposes and the provision of technical assistance to local government units. Personnel of the national agencies will be absorbed by the local government units. Local government units may sell, lease, encumber, or dispose of public economic enterprises owned by them. Charges can be made for the delivery of basic services or facilities. Local government units are likewise empowered to create their own sources of revenue, levy taxes, and fees, which shall be retained by them; obtain a just share in national taxes which shall be automatically and directly released to them without need of any further action; and receive an equitable share in the proceeds from the utilization and development of national wealth and resources within their territorial jurisdictions including sharing the same with the inhabitants by way of direct benefits.

Vertical and Horizontal Linkages

Consistent with the basic policy on local autonomy, the President shall exercise general control over the local government units. Sectoral agencies with project implementation functions shall coordinate with one another and with the local government units (LGUs) in the discharge of these functions. The participation

of LGUs shall be ensured in the planning and implementation of the said national projects. The President, upon the request of the national agency, is to provide financial, technical, or other forms of assistance to the local government unit with no extra cost.

The province, through the governor, shall ensure that every city and municipality within its jurisdiction acts within the scope of the prescribed powers and functions. The governor will also review all executive orders promulgated by the city or municipal mayor who in turn will review all orders issued by the barangay head within his jurisdiction.

Sectoral Concerns

A. Education

The Department of Education, Culture, and Sports

The responsibility for formulating, implementing and coordinating policies, plans, and programs at all levels of education, in both public and private sectors, is vested in the Department of Education, Culture, and Sports (DECS). DECS is headed by a Secretary, who is assisted by undersecretaries and assistant secretaries for overall planning, coordination, and general administration. Six staff bureaus, each headed by a director in charge of elementary, secondary, technical-vocational, non-formal, higher education and physical education and sports, provide advice on education standards, curricular policies, and program development. Specialized agencies of DECS are responsible for instructional materials development, educational testing and measurement, school health and nutrition, and implementation of foreign-assisted projects. DECS has responsibility over a number of attached educational and cultural agencies, and the Secretary heads the governing boards of all state universities and colleges.

Local School Boards

Within the purview of the Local Government Code of 1991, there is established in every province, city, or municipality a provincial, city or municipality school board composed of the governor and the division superintendent of schools as co-chairmen; the chairman of the education committee of the

provincial advisory board; the provincial treasurer; the representative of the youth board; the president of the provincial federation of Parent Teachers' Associations; the representative of the teachers' organizations in the province, and the representative of the non-academic personnel of public schools in the province, as members.

The municipal school board is composed of the municipal mayor and the district supervisor of schools as co-chairmen, the chairman of the education committee of the municipal advisory board, the municipal treasurer, and the other officials in the provincial board at the municipal level.

Functions of the Local School Board

1. The local school boards determine, based on the criteria set by the DECS, the annual budgetary supplement for the operation and maintenance of the public schools within the province, city, or municipality, and the local costs for meeting such needs, as reflected in the school board budget, corresponding to its share of the proceeds of the special levy on real property, constituting the Special Education Fund and other sources of revenue as provided by the code and other laws;
2. authorize the provincial, city, or municipal treasurer to disburse funds from the Special Education Fund (SEF) according to the budget prepared and existing rules and regulations;
3. serve as an advisory committee to the Provincial Board on education matters such as, but not limited, to the utilization of local appropriations for education; and
4. recommend changes in the names of public schools. The DECS consults the local school board on the appointment of division superintendents, district supervisors, school principals, and other officials. The local school board meets at least once a month, and meetings are called by any of the co-chairmen. The division superintendent, city superintendent, and district supervisor prepare the budget of the school board based on programs, projects, and activities for the ensuing fiscal year. Priority is given to

construction, repair, and maintenance of school buildings and facilities of public elementary and secondary schools; establishment and maintenance of extension classes where necessary; and sports activities at the division, district, municipal, and barangay levels

Nature and Practice of Decentralization in Education⁵

DECS Regional Offices

The routine management of the educational system has been decentralized in 15 regional offices (ROs). DECS-ROs are organized along similar lines as the central office. The Secretary of Education is responsible for delegating specific authority to the regional offices to enable them to perform department functions and implement plans and programs. Such delegation is meant for efficient and effective implementation of national and local programs according to policies and standards formulated by the Central Office with the participation of regional directors (MECS Order # 48, s. 1986).

Sub-Regional DECS Offices

An average of eight school divisions at the provincial and city level comprise a region. The division office is staffed by a superintendent and a corps of subject area supervisors with direct responsibility for both elementary and secondary schools. At the frontlines are the principals of elementary and secondary schools. In 1991, in an effort to simplify the educational bureaucracy and strengthen the role of principals as school managers and instructional supervisors, DECS decided to phase out the posts of subject area and district supervisors. This policy has been modified, allowing for the retention of the position of subject area supervisors as a requisite for career advancement in reduced number and with limited staff functions.

Three Forms of Decentralization

It may be said that decentralization in the education sector has taken place in three forms, to wit:

1. devolution or the transfer of power and authority from the national government to local government units or LGUs;
2. deconcentration or the transfer of power, authority, or responsibility, or the discretion to plan, decide, and manage from a central point to local levels, but within the national government itself; and
3. debureaucratization or the transfer of some public functions and responsibilities, which the government may perform, to private entities or non-governmental organizations or NGOs.

Under devolution, the passage of the Local Government Code of 1991 has transferred the responsibility of DECS over the School Building Program to the LGUs (although DECS maintains the key role in identifying where schools will be established). Meanwhile, deconcentration has been implemented through the issuance of several DECS Orders and Memoranda delegating various substantive and administrative authority from the central to regional and sub-regional units. Lastly, debureaucratization has been applied by DECS, as in the case of increasing access to education which the government has implemented since school year 1986-1987, the education service contract system. Under this scheme, students not accommodated in public elementary and secondary schools (e.g., due to lack of classrooms) are enrolled in private schools in their respective communities with the government paying for the students' tuition and other fees instead of constructing additional school buildings, hiring new teachers, and purchasing more teaching materials.

Decentralization to the Lower Levels

Although responsibility and authority have been transferred or delegated from the DECS Central Office to the Regional and Division Offices, further decentralization to the lower levels (i.e., district offices and schools) apparently has not been substantive. The authority to hire new teachers, purchase needed textbooks, or effect salary increases have yet to be devolved to the public school principals. This is attributed to the dearth of funds and inadequate administrative support to facilitate such goals at the school level.

Nevertheless, authorities at the school level, despite numerous guidelines and procedures from higher levels, have matched their needs with their resources and devised ingenious ways of meeting the needs and demands of the school population. However, not all schools have dynamic and creative principals and teachers.

Achievement and Remaining Problems and Issues In Educational Decentralization

Achievements

Decentralization

Substantive decentralization of powers and authority has been achieved from the national level to the regional and division levels with full planning and budget execution at these levels including the decision on personnel (e.g., hiring, appointment, and promotion of teachers) as well as other critical matters such as the prioritization of areas for the construction of new school buildings and/or classrooms.

Devolution

The implementation of the Local Government Code has made it possible for the local government units to assume greater responsibility in education by handling the School Building Program of the DECS. Moreover, under the LGC, Local School Boards -- which are tasked, among others, with determining the annual supplementary budget for operating and maintaining public schools and serving as advisory committee on educational matters to the Sanggunian or local legislative council -- are provided with funding support from the proceeds of the additional tax on real property from the provincial to the barangay levels.

Meanwhile, the establishment of the Autonomous Region in Muslim Mindanao has made it possible for the four constituent provinces of the region to adopt interventions that directly respond to their socio-cultural needs.

Partnership

The private education sector has agreed to comply with the DECS policies, particularly those granting them greater autonomy and flexibility in education service delivery.

Increased private sector participation, through the Education Service Contracting System, has led to more high school beneficiaries and has tempered earlier resistance among the private secondary education institutions to the provision of free secondary education by government.

The Education For All (EFA) goal generated a positive response from various institutions concerned with improving the delivery of basic education in the country. DECS and these entities are currently cooperating and complementing efforts in both national and regional EFA projects.

Remaining Problems and Issues

Decentralization

Although decentralization has been substantive from the central to the regional and division levels, this has yet to be fully realized at the lower levels, where it is most needed. The insufficiency of financial resources required to implement the desired goal is unlikely to be resolved soon. The public elementary schools are at a major disadvantage, having very little decentralized power. Meanwhile, although public high schools experience a higher degree of decentralized authority, they continue to face obstacles.

Devolution

The uneven financial and administrative capability and resources of Local Government Units (LGUs), including their Local School Boards (LSBs), are the main hindrance to the maximization of decentralization benefits at this level. In some instances, tensions arise between the LGUs or local government officials and even the local population, and the DECS, on matters concerning selection of DECS personnel, and the selection of the medium of instruction to be utilized in schools.

Partnership

Notwithstanding current joint or separate efforts by the DECS and local government units in delivering basic education, there exists a lack of variable mechanism to harness or tap the

support of non-DECS entities to contribute to the Education For All Program.

Under the current administration, the DECS has adopted a policy of liberalizing regulations of private education institutions in administrative and academic areas to enhance their involvement in the delivery of education services. This was initiated by the lifting of the moratorium on applications for new courses, opening of schools, and various concessions. The DECS is also implementing a policy of equality of administrative treatment ("pantay-pantay") with both public and private schools.

One of the policies and strategies adopted by the government as expressed in the Education For All Philippine Plan of Action, CY 1991-2000, is the strengthening of existing linkages and forging of new alliances. This is based on the recognition that the problems of education cannot be solved by the education sector alone. Thus, existing linkages are being strengthened, as a response to poverty and non-school related constraints to education.

Implications for Policy-Makers and Implementors

Monitoring and evaluating the effects and outcomes of decentralization efforts are necessary to ensure that the desired changes are realized. Obstacles to decentralization should be overcome. Moreover, decentralization requires that decision-makers ensure that local implementors are capable of assuming the power, authority, and responsibility transferred to them.

With decentralization, policy-makers, planners, and managers at the central level are given more time to improve policies and standardize systems and procedures instead of devoting time and effort to the implementation of programs and projects (which are now the primary responsibility of the local/field units). It is expected that interventions in the education sector would shift from the current reactive (i.e., current needs or demands) to a pro-active (i.e., future-oriented) state.

Policy-makers, planners, and managers should harness the resources of individuals and institutions able to contribute to the development of the country's education sector. Concrete steps should also be initiated to make the inter-agency efforts more synergistic (e.g., improving the orchestration of joint inter-agency projects).

The major issue confronting implementors is the local government's perspective of decentralization of education and its mechanism. Crucial questions are: How should decentralization in education be implemented? What specific education component can be entrusted to local government units? What projects could be undertaken by the national government? How could resources be harnessed? Is there a potential role for non-government organizations and the communities in education initiatives?

Health

The 1987 Constitution provides that the state shall protect and promote the right to health of the people. It must adopt an integrated and comprehensive approach which shall make essential goods, health, and other social services available to all at an affordable cost. Priority is given to the needs of women and children. The Administration Code of 1987 empowered the Department of Health (DOH) to formulate, plan, implement, and coordinate health policies and programs. The primary functions of the Department are the promotion, protection, preservation, or restoration of the health of the people through the provision and delivery of health services. As such, DOH was mandated to define and formulate the national health policy and implement the health plan, provide for health programs, services, and facilities; assist, coordinate, and collaborate with local communities, agencies, and interested groups in activities related to health; establish rules and regulations pertinent to health; collect and disseminate health information; and undertake health research and training.

The provision of basic health services and facilities is devolved from the national government to provinces, cities, municipalities, and barangays so that each LGU becomes responsible for a minimum of health services and facilities. The design, plans, specifications, and procurement of materials for health services provision are undertaken by the LGUs. The tasks are as follows:

1. Barangay - health and social welfare services through maintenance of barangay health and day care centers;
2. Municipality - implementation of projects and programs on primary health care, maternal and child care, and

communicable and non-communicable disease-control services; improvement of access to secondary and tertiary health services; and procurement of medicines, medical supplies, and equipment;

3. Province - provision of health services by hospitals and other tertiary health services; and
4. City - all health services and facilities provided above.

Local Health Board

In every province, city, or municipality, a local health board is established with the governor as chairman and the provincial health officer as vice-chairman (city mayor and city health officer in the city and the municipal mayor and municipal health officer in the municipality, respectively), a representative from the private sector or NGO involved in health services, and a representative of the DOH (in the province, city, or municipality) as members. The Local Health Board, at the three levels:

1. Proposes to the Advisory Board annual budgetary allocations for the operation and maintenance of health facilities and services within the province, city, or municipality;
2. Serves as an advisory committee on health matters not limited to local appropriations; and
3. Creates committees which shall advise local health agencies on technical and administrative standards of DOH; personnel selection and promotion; bids and awards; grievances, complaints; budget; and operations review.

The devolution of various health functions and transfer of personnel and assets take the form of service packages of public health programs appropriate to the community. In coordination with LGUs, DOH designs and installs mechanisms for an integrated and comprehensive program in health care delivery among LGUs through referral and networking of local health agencies. It ensures the participation of LGUs in the planning and implementation of the project. Likewise, regular consultations are held with LGUs, NGOs, people's organizations (POs) and other community sectors

before a program is implemented. LGUs concerned enter into joint ventures and cooperative arrangements with non-government organizations (NGOs) and people's organizations (POs) in the delivery of health services.

The devolved public health programs and projects include primary, secondary, and tertiary health services. The devolution covers all personnel in the provincial, city, or municipal health offices; in hospitals, rural health units, and barangay health stations, as well as records, assets, equipment, drugs, supplies, and materials.

The devolution prescribed covers the following:

1. Province

- a. Personnel in the Integrated Provincial Health Office including the provincial hospital, district health offices, district hospitals, Medicare and municipal hospitals (however, the district health offices in the National Capital Region, including its district hospitals are not included);
- b. Provision of medical, hospital, and other support services which include primary, secondary, and tertiary health services;
- c. Purchase of drugs, medicines, medical supplies, materials and equipment;
- d. Personnel, assets which include land and buildings, equipment, records, and liabilities that correspond to the devolved functions, programs, and services; and
- e. Funding of the health services and facilities devolved to the province which include hospitals and other tertiary health services, from the share in the national taxes and such other provincial and other support from the national government, its instrumentalities, and government-owned or controlled corporations which are tasked by law to establish and maintain health services and facilities.

2. City

- a. Officials of the City Health Office including the city hospitals, health centers or rural health units, and barangay health stations;
- b. Provision of medical, hospital, and other support services which include primary, secondary, and tertiary health services;
- c. Purchase of drugs, medicines, and medical supplies, materials and equipment;
- d. Primary Health Care and other field health services such as, but not limited to, the following:
 - Maternal and child care
 - Nutrition
 - Family planning
 - Dental health
 - Environmental health
 - Communicable and non-communicable diseases control
- e. Personnel, assets which include land and buildings, equipment, records, and liabilities that correspond to the devolved functions, programs and services;
- f. Aid to puericulture centers; and
- g. Funding for health services and facilities devolved to the city from its share in the national taxes and other provincial funds and support from the national government, its instrumentalities, and government-owned or controlled corporations which are tasked by law to establish and maintain health services and facilities.

3. Municipality

- a. Rural health units which include main health centers and barangay health stations;

- b. Access to secondary and tertiary health services;
- c. Purchase of drugs, medicines, medical supplies, materials, and equipment;
- d. Primary Health Care and other field health services such as, but not limited to the following:
 - Maternal and child care
 - Nutrition
 - Family planning
 - Dental health
 - Environmental health
 - Communicable and non-communicable diseases control
- e. Personnel, assets which include land and buildings, equipment, records, and liabilities that correspond to the devolved functions, programs, and services;
- f. Operation of infirmaries;
- g. Aid to puericulture centers; and
- h. Funding of the health services and facilities devolved to the municipality from its share in the national taxes and such other provincial funds and funding support from the national government, its instrumentalities and government-owned and controlled corporations which are tasked by law to establish and maintain health services and facilities.

Financial Mechanisms

The guidelines for financial support are as follows:

1. LGUs shall ensure the provision of funds for the operation and maintenance of devolved health services and facilities and the implementation of devolved health programs and projects;

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2. The provincial government shall ensure the appropriation of funds required for the operation and maintenance of the devolved provincial hospital and the district, municipal, and Medicare hospitals;
 3. The city or municipal government shall likewise ensure the appropriation of funds necessary for the operation and maintenance of the city or municipal health office including the rural health units, health centers, infirmaries, and barangay health stations;
 4. Municipalities which are unable to maintain a comprehensive health program may be entitled to receive budgetary support from the national government through the augmentation scheme.

Funding devolved health services, facilities, programs and projects has the following provisions:

1. LGUs shall ensure the provision of funds for the operation and maintenance of devolved health services and facilities and the implementation of devolved health programs and projects;
 2. The provincial government shall ensure the appropriation of funds required for the operation and maintenance of the devolved provincial hospital and the district, municipal, and Medicare hospitals;
 3. The city or municipal government shall likewise ensure the appropriation of funds necessary for the operation and maintenance of the city or municipal health offices including rural health units, health centers, infirmaries, and barangay health stations;
 4. Municipalities which are unable to maintain a comprehensive health care service due to inadequate financial resources may be entitled to receive financial support from the national government through the augmentation scheme, as provided in the priorities and standards.
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Functions, services, facilities, programs, personnel and assets retained by the DOH

The DOH shall retain the following functions, services, facilities, programs, personnel, and assets:

1. Components of national health programs which are funded from foreign sources;
2. Locally-funded programs and projects which are being pilot-tested or are purely developmental in nature;
3. Health services and disease control programs which are covered by international agreement such as quarantinable diseases and disease eradication programs;
4. Regulatory, licensing, and accreditation functions which are currently exercised by the DOH pursuant to existing laws;
5. Those personnel to be retained by the DOH;
6. Those assets to be retained by the DOH.

Responsibility of the DOH after devolution

After the devolution of its health service delivery functions to LGUs, the DOH shall have the following functions and responsibilities:

1. Formulation and development of national health policies;
2. Formulation and implementation of national health plans and programs;
3. Formulation of guidelines, standards, and manuals of operations for health services and programs;
4. Issuance of rules and regulations, licenses, and accreditation pursuant to existing laws;

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5. Promulgation of national health standards, goals, priorities, and indicators;
 6. Development of special health programs and projects;
 7. Advocacy for legislation on health policies and programs;
 8. Monitoring and evaluation of local health programs, projects, facilities and services;
 9. Technical evaluation of local health programs, projects, facilities, services, and research studies;
 10. Provision of health information, statistics, and other data to LGUs;
 11. Installation of referral mechanisms to ensure access of public health or medical beneficiaries to higher and more advanced health facilities under the control of the DOH;
 12. Extension of support services and other forms of assistance to LGUs such as, but not limited to, the following:

* Technical support services:

- Information-education-communication (IEC) development
- Health research and development
- Health intelligence
- National and international training
- Planning assistance
- Other technical consultancy services

* Administrative support services:

- Program and project management
- Inter-agency coordination
- Networking
- Information and record management
- Other administrative services

* Logistics and financial support services:

- Bulk procurement of drugs, medicines, and medical equipment and supplies
- Grants-in-aid, block grants, and other forms of financial assistance
- Resource mobilization from the national government, NGOs, and international funding agencies
- Budget preparation assistance
- Other financial and resource management services

13. Extension of other support services which are specific components of national health programs.

The perspective plan, involving the Local Health Boards, is forward-looking, developmental, and pro-active. It requires the following preparations/interventions over time:

1. Arrangements with Local Government Academy (LGA) and the Civil Service Commission/Professional Regulations Commission to accredit training programs/courses for LGUs and devolved personnel of health, population and family planning.
2. Training of the elective LGU executives, the members of the advisory board, the LGUs' top professional/technical staff, and the members of LGBs in (a) planning and management; (b) communication/human behavior in organization; (c) resource planning and management (resource generation, allocation, utilization, monitoring and evaluation); (d) feasibility studies, and (e) entrepreneurial management;
3. Regular and periodic supportive supervision as a way of strengthening previous training and/or providing on-the-job training, as necessary, as well as assessment of training needs as inputs to LGUs and DOH's continuing education program;

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4. Staff development/continuing education program/technical cooperation among developing LGUs (provinces, cities and municipalities); and
 5. Re-conceptualization of the functions and organizations of DOH (central and regional offices) and LHB.

Devolution of national government agencies (NGAs) and functions, including health services, involves (a) personnel; (b) facilities; (c) records; and (d) assets as well as items of expenses which previously were part of DOH's responsibility. In other words, devolution concerns function and authority. Devolution does not only involve reorganization (appropriate deployment of staff) but also a reconceptualization (appropriate use of people according to their capabilities and competence) of functions. Consequently, the organization's personnel may be reassigned, redeployed, transferred, retired or retrenched only after such movement is adequately discussed between the staff concerned and management. This staff movement aims at attaining organizational efficiency and effectiveness. Viewed as such, devolution would cause a change in the:

- a. Configuration of the organization;
- b. Roles, functions, and tasks of employees belonging to the same division, section, or unit;
- c. Assignments that are largely determined by the goals and strategies of the organization or agency; and
- d. Organizational relationships (e.g., communication, supervision, reporting, monitoring).

Hence, to be smooth and effective, devolution requires, among others:

1. The conduct of appropriate orientation;
2. The preparation and adequate issuance of guidelines on vertical and horizontal relationships, within and outside one's devolved agency, as well as in its new environment; and

3. The preparation and dissemination of managerial, technical, and other administrative standards and criteria that an NGA would like LGUs to follow and maintain.

The change in configuration, functions, and relationships may affect ways -- in form and/or substance -- as follows:

1. General supervision exercised by DOH over the implementing units (LGUs) shall largely be technical in nature, primarily done through:
 - a. policies
 - b. standards (education and training of professional health workers, operation of hospitals and other service delivery outlets, membership requirements in national specialty boards, licensing of hospitals and laboratories, minimum requirements to be met before putting up schools of learning in medicine/nursing/midwifery and other allied health professions, etc.); and
 - c. criteria for accreditation of other technical and administrative matters (e.g., training programs, establishment of service delivery outlets (SDOs), designation of training clinics/perceptors, designation of training/hospitals, funding arrangements, establishments/designation of training clinics institutions/agencies).
2. Monitoring of the implementation of policies and compliance by LGUs with standards and criteria set by DOH, noting gaps and discussing them with LGUs concerned;
3. Provision of appropriate assistance to LGUs as necessary; and
4. Fund raising for special national projects.

What is lacking in the above-mentioned grouping of responsibilities is a unit or group of professionals and technicians who can serve as resource facilitators, coordinators, and brokers for LGUs. The experience, expertise, and resources of field health offices (FHOs) will qualify them to form health consultancy groups (HCGs) in the 15 ethno-geographic regions of the country working directly with LGUs through the regional development councils (RDCs). Considerable distance between the central agency and LGUs makes it ideal for the FHOs to reorganize and develop into regional health consultancy teams (RHCTs). A change as revolutionary, far-reaching, and important as devolution requires the commitment of the LGU, and an understanding, firm, proactive, experienced (with at least a 5-year exposure to and working knowledge of the dynamics of power) and credible leader.

Resource Mobilization

Section 129 of the Local Government Code grants LGUs the power to create their own sources of revenues and levy taxes, fees, and other charges pursuant to the policy of local autonomy. The DOH, upon recommendation of its field offices, can request for complementary budget support from the national government based on equitable distribution of resources. It can negotiate and secure financial grants or donations in kind from local and foreign assistance agencies without necessarily securing clearance from any department, agency, or any higher LGU.

In the spirit of the devolution which encourages people's participation in delivery of services for their welfare, LGUs are encouraged to mobilize available resources in the community which can be used for health services delivery. These do not have to be financial. Facilities for day care centers, the use of idle lands for herbal gardens, civic groups for disseminating health information, and donations in cash or in kind, are a few examples.

There may also be income-generating projects for women; couple volunteers for particular services such as mental health; youth council for health planning; and community health workers initiating local health financing.

Vertical and Horizontal Relations

The DOH can:

1. Monitor and evaluate local health programs, projects, facilities, services, and research studies, especially those addressing the goals of the Philippine Plan of Action on Children (PPAC);
2. Undertake technical evaluation and regulate local health programs, projects, facilities, services, and researches;
3. Provide health information, statistics and other data to LGUs, such as those pertaining to prevalent diseases and hospital operations that serve as annual health indicators;
4. Install referral mechanisms and ensure that public or medical beneficiaries have access to higher and more advanced health facilities of the DOH; and
5. Extend support services and other forms of assistance to LGUs.

DOH support services available to LGUs include:

1. Technical support services; information-education-communication (IEC); health research; health data; national and international training; planning assistance; and other technical consultancy services;
2. Administrative support services, program and project management; inter-agency coordination; networking; information and record management; and other administrative services; and
3. Logistics and financial support services, bulk procurement of drugs, medicines and medical equipment and supplies, grants-in-aid, block grants, and other forms of financial assistance, resource mobilization from the national government, non-government organizations (NGOs), and international funding agencies; budget preparation assistance; other financial and resource management services; and extension of other support services which are specific components of national health programs.

Regulatory functions that pertain to health and sanitation shall be transferred to LGUs by the DOH. These include, among others, the inspection of health and food establishments like markets, slaughterhouses, sauna parlors, and the accreditation and licensing of food handlers.

Among the general responsibilities of LGUs, after devolution, are:

1. Operation and maintenance of all health facilities, implementation of health programs and projects, and delivery of health services devolved, especially those for children and women;
2. Accreditation of DOH representatives to the local health boards;
3. Access to health facilities and health records by national and international health monitoring and evaluation teams authorized by the DOH, and provision of assistance to such teams, whenever feasible;
4. Submission of reports and other health-related information, required by law; and
5. Formulation and implementation of local health programs, projects, researches, IEC development and trainings, consistent with the standards prescribed by the DOH.

Devolution Process

The year 1992 witnessed preparatory activities in collecting and documenting the qualitative and quantitative information about DOH personnel, assets, and appropriations to be transferred, and the formal action which LGUs made to receive or absorb them. By the last quarter of 1992, DOH personnel were seconded to LGUs. Therefore, two phases were carried out to respond to the devolution mandate of the government:

1. Preparatory stage - preparatory activities to ensure effective transfer of assets, power, and responsibilities to local government;

2. Devolution proper - wherein local leaders delivered the services given its resources.

Four manuals were prepared to provide guidelines for the local leaders and the local health board. Part 1 contains two modules on health covering the development perspective and the health care delivery system. It underscored the importance of partnerships between local government units, national government agencies, non-government organizations, and the community. Actual partnerships were forged to mobilize and pool resources, and develop capabilities of various groups in the community to work together in responding to health concerns. The process demonstrates the joint responsibility of the community, its officials, and other development workers in the locality for health service delivery. This is expected to result in broader participation, stronger commitment to development, and sharing of resources and benefits among a greater number of people. However, the outcomes remained fragmented. In many municipalities, the mayors and their council members allocated funds for the transportation and allowance of active health and nutrition volunteers. In some municipalities, mayors attended training for health programs. On April 21, 1993, the National Immunization Day, the mayors led the campaign for immunization.

Part 2 provides guidelines for health planning through generic steps encompassing the situational analysis (population, health status, health resources, ecological or socio-economic status, and health services delivery), plan formulation, target setting, strategy development, program planning, implementation, monitoring and evaluation. The area-based health planning approach which was designed for a deconcentrated DOH and adjusted to the local government planning process was demonstrated. Under the devolved set-up, the municipal governments are now fully responsible for the delivery of health services in their areas. The Municipal Health Officer (MHO), Public Health Nurse (PHN), Rural Health Midwife (RHW), and Municipal Budget Officer (MBO), in consultation with the local health board, are tasked with the preparation of the Municipal Area Program-Based Health Plan. In the barangays, the Rural Health Midwife, in consultation with the MHO, PHN and officials of catchment barangays is responsible for the preparation of the Barangay Health Service (BHS) plan. Contents of the RHU plan include:

(1) statement of priority health problems (mortality and morbidity); (2) program parameters and cut-off points; (3) list of programs and areas with the most problems; (4) specific activities and work targets; (5) summary and consolidation tables; (6) proposed plans; (7) worksheet; (8) budget summary; and (9) participation in planning of NGOs and private sector.

Part 3 deals with the crucial issue of resource support to plan implementation and Part 4 focuses on the local health board (LHB) which enunciates the roles and responsibilities of members, the procedures in organizing the health board, and the review and monitoring of the health plan.

Issues and Concerns in Health Sector Devolution

From June 13 to 19, 1994, the DOH teams conducted surveys in all regions, provinces, municipalities, and cities after one and a half years of the implementation of the decentralized programs. Those interviewed included governors, mayors, and any of the following: vice mayor, chairman of committee on health, and sectoral representative. In the health sector, the provincial health officer, chief of hospitals, municipal health officer, city health officer, public health nurse, rural health midwife, and provincial health nurse were queried. A total of 5,675 respondents were interviewed, with an almost equal response from the local government and health sector. More than three in four (77.4%) of the local government leaders participated in the health planning process. The percentages among the health workers and the non-government organizations were 68 and 60, respectively. Local Health Board meetings numbered 1 to 2 over the one-and-a-half year period that covered the study. Most respondents felt that the health budget was insufficient to meet their needs. The priorities for spending included medicines, health equipment, and salaries of personnel. A sensitive issue regarding devolution was the payment of benefits to health workers, and salary increases. Almost half of the respondents felt that many aspects of the health care delivery system were hardly strengthened at all, and certain components were weakened, such as hospital services. Areas that have been strengthened included preventive health services, social mobilization, and policy-making although the latter has not been clarified. The aspects of devolution that can be potentially strengthened include training of barangay health workers, networking, and national policy-making. The devolution facet that

was most desired was the identification and mobilization of health resources. The least liked was the fund flow for health services, salary dispensation, and recruitment of personnel. The administrative support system, particularly the financial aspects, needs to be developed. Quite a sizeable proportion of respondents (44.1%) felt that the health system worsened after devolution. Markedly affected were the hospital services. More funds provision by LGU needs to be addressed. The expected demand for LGUs is more than the form of funds, but political and managerial support.⁶

Another study of twelve devolved hospitals in the provinces of Quezon, Negros Occidental, Western Samar, and Zamboanga del Sur involving key LGU officials, devolved hospital staff, and non-government organizations, from July 1993 to January 1994, documented concerns of local government officials, such as the need for orientation on the mechanism of devolution, the inadequacy of financial resources, outdated LGU administrative systems, procedures for procurement of funds, integration of public health programs and hospital services, lack of knowledge of the functions of the local health boards, non-compliance to the provision of benefits to health workers, threatened security of tenure, limited opportunities for hospital staff, usurpation of vehicle and equipment of health staff by local officials, blurred territorial jurisdiction in cases of boundary catchments, poor provincial supervision of cities and municipalities due to accountability to local governments, and limited support to staff development.⁷

A USAID study published in 1994 revealed decentralization reforms at all local levels. Local governments are taking the initiative in addressing the administrative and management problems attendant to the sweeping structural changes envisioned in the Code, pursuing innovative strategies in service delivery, defining local priorities, aligning systems with community needs and development objectives, forging new partnerships with the private and non-government sectors, and exploring ways of generating revenues.⁸ Despite these efforts, inadequate funds continue to constrain service delivery. The historical preference for national employment and uncertainty regarding the permanence of the health workers are issues that must be addressed by LGUs. The constraints elicited were:

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1. Lack of training of NGOs' health personnel, local government officials, including members of the local health boards in decision-making, management, planning, and monitoring of health programs;
 2. Little attention to technical assistance to local health officers in planning, management, and implementing locally defined programs;
 3. Lack of monitoring in procurement of supplies and resource generation for health care;
 4. Irregular meetings of the Local Health Board;
 5. Inability of local governments to devise long- and short-term policy solutions to correct imbalances in health care delivery due to inadequacy of funds;
 6. Need for the clarification of the role of DOH vis-a-vis LGUs;
 7. Cost recovery in health services and benefits of health workers; and
 8. Operational problems of hospital management and service delivery due to budgetary constraints.

Problems and Issues of Decentralization in the Health Sector

For most of the elective officials, the implications of the health code provisions are far reaching. This necessitates a "paradigm" shift, altering the major attitudes and behavior regarding local governance and the exercise of power.⁹ For local officials, this means that more than being political leaders, they must become area managers capable of setting the direction of their locale's development while encouraging various initiatives, in partnership with their constituencies. For the people, this means that they must move from being mere beneficiaries of government largesse to being partners and critical collaborators in health development and local governance - a mandated role they must continuously assert. Since July 1992, there has been a positive trend toward rapid and effective implementation of the code. There is a profound change in attitudes and actions in terms of greater enthusiasm for

local autonomy, advocacy for full transfer of power, and activism for more effective code implementation. Among the major constraints experienced are: (1) inadequate financial resources, specifically the internal revenue allotment; (2) reluctance of central office to transfer responsibilities, personnel, and equipment to local governments perceived as being incapable of fulfilling their duties; and (3) fear that the devolution process would give way to local warlordism and bossism, a fear that is not without basis considering the country's political history. It was perceived that the participation of non-government organizations can provide the necessary checks and balance since the code mandates that one-fourth of the local development council membership from the provincial to barangay level should come from NGOs.¹⁰ The latter also have the power of recalling abusive government officials. The potential for local taxation through advertising, banking, franchises, transport, amusement, public utilities and property taxes, and capital gains from the sale of lands, is great; but there is the possibility of abuse. There is the danger of increasing the power of local officials, the local office becoming more attractive, and elections becoming more tense due to a bigger jurisdiction. Disastrous consequences such as incompetently administered health and social programs could produce or result in political patronage at the expense of the most needy.¹¹ The House in 1991 approved a budget of P301.8 billion as the local governments' share in the internal revenue allotment, which was P7 billion less than the budget due local governments in 1992.¹² A legislator warned that the provision of the Local Government Code allowing local government units to contract loans directly with other countries could undermine the nation's political cohesion, since they would be in a weaker position to resist dictations from creditors. It was feared that there would be a predominance of politics because health officials would be political appointees whose terms would be likely to end with that of a particular government. Continuity of health services would suffer. The province might not be able to absorb all devolved employees because of budget ceilings under the government code.¹³

Some of the recommendations for the health sector include:¹⁴

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1. Formulation of a national health code to be implemented by the local government executives with clearcut delineation of fundamental health policies;
 2. Reorganization of health agencies to prevent the dislocation of personnel and disruption of national health projects and programs;
 3. Conversion of regional health offices into monitoring and consultative agencies to ensure compliance of basic national health policies;
 4. Within each province or city, establishment of a central health authority where private medical and non-medical sectors are represented to ensure citizens' participation in health care programs;
 5. Deployment of health personnel in provinces, with financial capacity to sustain an integrated health program without demotion in status and with a salary commensurate to career employees; and
 6. Transformation of towns and barangays into socio-economic units to implement a total approach to socio-economic development incorporating health where cooperatives can play a role.

Determining actual operation of health programs and services under devolution

Apart from concerns about basic absorptive capabilities of the public health system in terms of numbers and types of personnel, organizational structures, building and equipment, and operational systems, DOH is interested in what these capabilities produce in terms of specific programs and services. The carryover of previous practices and activities makes devolved health units operate in manners similar to what they were before devolution. Substantively, the same health programs are being carried out and detailed activities tend to replicate the old DOH mechanisms.

What will local health units do once the momentum of past practices wanes? What programs, services, outputs, and benefits will be produced by the municipal health offices, barangay health stations, rural health units, district and provincial hospitals? What tasks, activities, projects and processes will health units undertake? Clearly, the political leaders and professional managers in the localities will have an influence in what local health workers will do. How will they be influenced so that only the most essential and cost-effective public health programs are undertaken? Given the limited productive capacity and the service delivery agenda, how will the prioritization of tasks and activities be undertaken? How will the technical support influence the decisions of local political leaders and health managers?

These concerns include issues such as the alleged preference of local officials for dole-outs, quick fixes, public relations, and political patronage, as well as their alleged lack of support for sustained long-term efforts required by public health programs and technically-based, politically-neutral service targeting. How will these tendencies be avoided? How will national health programs and projects be implemented with the devolved system? How will technical standards and policies be installed and complied with in the LGUs? How will the technical content of health service delivery operations be determined in the field and in actual practice?¹⁵

Rebuilding sound structural and functional relationships among devolved health units

Another concern of the DOH revolves around the structural and functional linkages and relationships of the health service delivery units of the LGUs. The pre-devolution public health system had a hierarchical, integrated, and coordinated management and operations system. This old system has been set aside by the local governments. New links and relationships among the devolved health units have to be established if the system is to operate coherently and effectively. Patient referral systems, technical support, and supervisory relationships, as well as planning and budgeting coordination, have to be established among municipalities, cities and provinces; between field units like RHU and Barangay Health Stations (BHS), and hospitals; and among public, private, and NGO service providers.

For every health unit to operate in synergy with others, operating relationships among LGUs, between province and municipalities, and among municipalities in a province need to be worked out in field practice. Without workable coordination, waste, gaps, and structural inefficiencies could result. Establishing this coordination in structural and functional linkages will be critical.

Perceived Needs of LGUs in the Management of Health Service Delivery under LGC

The management and operation of local health service delivery involve at least two spheres of interaction: (1) that between local political leaders and health service workers and managers; and (2) that between the health service delivery organizations and the community. Effective management requires correct handling of these interactions. Creating the conditions for improved management is a crucial area for LGUs. Since LGUs have limited experience in managing health service delivery, their needs are perceived by the DOH as follows:

1. Some LGUs face short-term difficulties in financially absorbing the costs of devolved health services. Apparently, the Internal Revenue Allotment (IRA) shares and local revenues of some provinces and municipalities are not sufficient to meet all their existing obligations and the costs of the devolved public services including health. Solutions to this short-term problem include: various combinations of IRA sharing adjustments, DOH budget augmentation, local revenue increases, cost reduction in devolved functions, and other financial reforms including cost sharing, user fee and limited privatization of some hospital functions.
2. The local chief executive and local legislative councils need additional information, knowledge, and skills to direct, manage, and coordinate health service delivery operations. Structures, processes, and mechanisms will have to be developed. Authorities of local health managers will have to be redefined. Control of their budgets, personnel and assets will have to be governed by current government policy and practice, not by previous DOH policy and practice. Planning, budgeting, targetting, monitoring, reporting and all kinds of operational procedures may have to be revised.

3. LGUs need to sustain key production sub-systems supporting health programs and services. For devolved health units to perform effectively, there is a need to support activities which extend beyond the boundaries of the individual LGU case findings and case holding, e.g., TB control in one locality depends on drug availability which in turn depends on cold chain provisions and vaccine distribution to many areas. ARI treatment depends on adequate drug distribution and compliance with guidelines. In all these, the technical requirement of programs dictates the nature of administrative and financial support. LGUs need assistance to ensure responsiveness in health program operating systems.
4. Health managers transferred to LGUs will require information, technical assistance, and training to provide effective direction to local health service delivery. Their knowledge and familiarity with health policies, programs, and standards are inadequate since they have recently been detached from the DOH.

Welfare Services

Since the enactment of the Local Government Code is expected to bring about long-term benefits to the disadvantaged population, the policy of the Department of Social Welfare and Development (DSWD) is to give full support to the Code's implementation. On the other hand, DSWD also recognizes the need for capability building of LGUs in order to achieve the fullest benefits from the implementation of the Local Government Code.

Devolved DSWD Programs and Services

1. Provincial disaster relief assistance is devolved to the provincial level. However, relief assistance for disasters which are localized in scope can be handled by cities and municipalities:
 - a. Disaster relief assistance includes provision of food, temporary shelter, clothing and domestic items as well as assistance to facilitate rescue and evacuation including comfort-giving;

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- b. The Department of Social Welfare and Development (DSWD) is empowered to mobilize direct service workers from unaffected areas to directly undertake relief assistance in the case of disasters affecting a province or several provinces. It designs the program and mechanisms to institutionalize this objective as part of its national disaster preparedness.
2. The following programs and services have been devolved to the city/municipal level:
- a. Self-Employment Assistance
 - b. Family and Community Welfare Program
 - Parent Effectiveness
 - Marriage Counseling
 - Responsible Parenthood
 - Family Casework Counseling
 - Social Preparation for People's Participation
 - Community Volunteer Resource Development
 - Social Welfare Structure Development
 - c. Women Welfare Program
 - Self-Enhancement Skills Development
 - Material and Culture Development
 - Productivity Skills Livelihood Development
 - Community Participation in Skills Development
 - d. Children Youth Welfare Program
 - Poor Set-up Service
 - Community-Based Services for Street Children
 - Community-Based for Delinquent Youth
 - e. Emergency Assistance Program
 - Supplemental Feeding
 - Food for Work
 - Emergency Shelter Assistance
 - Balik Probinsiya
 - Crisis Prevention
 - Planning Management Capability Building
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f. Program for Disabled Persons and Elderly

- Information Dissemination on Disability Prevention
 - Assistance for Physical Restoration of Disabled Persons and Elderly
 - Self Service for Disabled Person
 - Social Vocational Preparation for Employment Services
 - After Care and Following Services
 - Special Social Services for the Elderly
 - Social and Vocational Preparation for Job Placement
3. The Day Care Service is devolved to the barangay level. Honoraria over and above the remuneration received by barangay day care workers are devolved to either the barangay or to the municipality which is augmenting the resources of the barangay concerned;
4. Foreign donation of food commodities for supplemental feeding is distributed based on assessment of LGU performance;
5. The collection of parents' equity contribution for supplemental feeding and day care centers has been stopped;
6. The collection of funds is devolved to LGUs which can use it as seed-capital for their own Socio-Economic Act Trust Fund;
7. To ensure compliance to standards in the delivery and implementation of devolved DSWD programs and services, mechanisms for reporting, monitoring, evaluation, and technical assistance are negotiated with LGUs.

Retained Programs and Services

1. The retention of programs and services is guided by the following policies:
- a. Center-based programs and services whose venue for delivery serves two or more provinces/cities remain under the administration and technical supervision of the DSWD;

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- b. All other special and pilot projects not funded under the regular budget are retained;
 - c. Regular programs involving special social services are not devolved.
 2. The following DSWD Programs and Services are retained:
 - a. All center-based programs and services given in institutions, centers, facilities, resettlement areas utilized by two or more provinces/cities;
 - b. All pilot and special projects with local or foreign funding such as:
 - Socio Economic Assistance Kaunlaran
 - Tindahan Bigay-Buhay
 - Country-wide Development Fund
 - Special Project for Scavengers in Smokey Mountain and Payatas
 - Productivity Skills Capability Building for Disadvantaged Women
 - Social Communication Skills Development
 - Project for Sexually Exploited Children
 - Special Social Services for Children in Situations of Armed Conflict
 - Early Detection and Intervention of Disabilities among 0-6
 - c. Special social services for children in difficult circumstances such as:
 - Child Care Placement
 - Child Protection Services
 - Special Social Services for Youth Offenders

A two-way referral mechanism is arranged with LGUs to ensure referral of community-based after care for DSWD clients from centers and institutions, as well as to ensure LGU referral of cases to programs and services in DSWD centers/institutions.

Transfer of Personnel

1. Coverage of mandatory devolution of technical and administrative personnel

- a. Municipal level: SWO III, SWO I, Social Welfare Assistant, Social Welfare Aide. Priority should be given to the devolution of SWO III at the Municipal level.
- b. City level: SWO V, Statistical Aide, Clerk, Driver, Utility/janitor, SWO III, SWO I, Social Welfare Assistant, Social Welfare Aide, MDA and MDD I.
- c. Provincial level: SWO V, Statistical Aide, Clerk, Driver, Utility/janitor. In provinces where there are two SWO V, only one may be devolved; the other one will be retained by DSWD.

2. Special policies vis-a-vis devolved personnel

Devolution of DSWD personnel to the LGU is formalized through a Memorandum of Agreement. The LGUs create the equivalent positions of the affected personnel except when it is not administratively viable.

1. The Regional Offices negotiate with the LGUs the terms of the devolution which shall be contained in a Memorandum of Agreement. The MOA covers the following:

**Coverage of the Memorandum of Agreement
Between DSWD and LGU**

<p>A. Program Matters</p> <p style="text-align: center;">D S W D</p>	<p style="text-align: center;">L G U</p>
<p>Provision of implementing procedures, standards for DSWD devolved programs and services of budget;</p>	<p>Compliance with DSWD standards and guidelines for implementation of devolved programs and provision for devolved functions;</p>
<p>Distribution of foreign-donated commodities for supplemental feeding subject to compliance of LGU with DSWD guidelines and standards for supplemental feeding;</p>	<p>Compliance with implementing guidelines for supplemental feeding through proper use of food commodities;</p>
<p>Devolution of honoraria of day care worker;</p>	<p>Provision of budget for payment of salaries/honoraria of day care workers;</p>
<p>Turn-over of rollback collectible balance of active cases;</p>	<p>Sustenance of collection of rollbacks to be used as seed capital for the local trust fund;</p>
<p>Provision of standards to regulate issuance of regulating solicitation permits;</p>	<p>Compliance with standards for issuance of solicitation permits;</p>
<p>Linkage of special social services for children and youth in difficult circumstances (court-related cases) with LGUs.</p>	<p>Provision of support for SWO II handling court-related cases.</p>

B. Support Systems/Services	
Provision of Case Management System;	Sustained use of Case Management System;
Provision of a Reporting System;	Submission of reports on devolved programs and services to DSWD;
Provision of Synchronized Planning, Budgeting and Targeting Mechanisms;	Institutionalization of Synchronized Planning, Budgeting, and Targeting;
Provision of Technical Assistance for consultation;	Setting up of regular mechanisms;
Agreement to a referral system for:	Agreement to a referral system for:
<ul style="list-style-type: none"> - after care of DSWD clients in centers/institutions - clients from communities requiring institutional care, participation in special projects 	<ul style="list-style-type: none"> - after care of DSWD clients in centers/institutions - referral of clients requiring DSWD institutional care, participation in special projects, etc.
Provision of training in LGU workers;	Availing of training opportunities for LGU workers provided by DSWD;
Provision of mechanisms for accessing devolved DSWD workers to scholarship opportunities;	Permission to LGU workers of scholarship opportunities provided by DSWD;
Devolutions of all records of pertinent active cases.	Agreement to sustain service delivery to active case.

C. Assets	
Completion of the clearance of all personnel subject to devolution;	Completion of the implementation of salary standardization for locally-paid workers with plantilla positions similar to devolved DSWD personnel;
Provision of plantilla positions of DSWD administrative, technical and community-based workers deployed with LGUs;	Determination of plantilla positions that are administratively viable;
Agreement on members and persons to be devolved;	Agreement with DSWD on timing of devolution of personnel;
Agreement with LGU on timing of the devolution of personnel;	Creation of plantilla positions for DSWD devolved personnel;
Request to remit to the LGU the cost of devolved personnel services;	Absorption of DSWD personnel by appointing them to created positions;
Devolution of DSWD personnel with corresponding personnel records;	Agreement to provide budget for maintenance and operation of assets and equipment to be devolved;
Inventory of land improvements, vehicles, equipment, furniture, fixtures, non-consumable and consumable supplies to be devolved;	Definition and agreement with DSWD of terms of separation of titles or joint use of land and improvements where separation is not possible.
Identification and negotiation with LGUs for the separation of titles, etc. whenever devolved land and improvements are to be retained for special projects.	

Training of Devolved DSWD Workers

To ensure the technical competence of devolved DSWD workers, an orientation/training was conducted by the Regional Office as part of the pre-devolution activities which covered the following areas:

1. Review of summarized manual for DSWD devolved programs and services;
2. Review of synchronized planning, budgeting and targeting mechanisms;
3. Institutionalization of post-devolution reporting procedures and mechanisms for monitoring, evaluation, and technical assistance;
4. Mobilization of local NGOs in the social sector for the Local Special Bodies.

This orientation also includes specific guidelines on how devolved personnel relate with LGUs, a two-way referral mechanism for linking community-based after-care program and referral of clients who require institutional care, and a two-way channel for technical assistance.

Process of Devolution of DSWD Programs and Services

1. The Central Office prepared materials on DSWD devolved programs and oriented the Regional Office on the training of devolved DSWD workers;
2. By March 1, 1992, the Regional Office had provided the LGU with a list of DSWD programs and services to be devolved. The Regional Office prepared the fact sheet on DSWD Programs and Services to be devolved, containing basic information on program/service beneficiaries, objectives, outputs, cost of assistance, standards of service delivery, etc. This also included program/service outreach for the past three years, and budgetary requirements.
3. Systems and strategies that would ensure a two-way referral system with the LGUs as well as a mechanism for

undertaking consultations and regular technical assistance were designed.

4. At the Branch and Unit level, all pertinent case records of beneficiaries of programs and projects to be retained by the DSWD were compiled for transfer to the Regional Office.
5. The Unit level prepared an inventory of all active cases with the corresponding collectible balances and the monthly rollback.

Devolution of DSWD Personnel¹⁶

1. A listing of plantilla to be devolved with the corresponding salary grade, monthly salary, and names of incumbents was prepared;
2. The following copies of personnel records were turned over to the receiving LGUs:
 - a. Personnel service record
 - b. Certification of leave credits
 - c. Copies of latest approved appointments
 - d. Notices of salary adjustments
 - e. Job description
 - f. Latest statement of assets, liabilities and net worth
 - g. Bio-data (Form 212)
 - h. Clearance certificate
3. Following the policy guidelines indicated, all DSWD employees, subject to devolution, were cleared of:
 - a. Financial accountabilities
 - b. Property accountabilities

Programs seemed to be proceeding well in the devolved social programs. One area of concern was the exploitation of indigenous communities or ethnic minorities. Concerns were expressed over the encroachment of groups that were interested in upland resources. While some welfare officers reported the support of local leaders, others complained of the loss of livelihood funds needed in the barangay. Some of the programs

of the DSWD overlapped with existing programs, such as poverty alleviation which falls under economic programs; a nutrition program to prevent malnutrition among infants, pre-schoolers, and lactating mothers; and food and shelter for the elderly. According to some social welfare officers, the collation of statistical reports to define emergency cases was affected since the reporting of urgent statistical data is no longer the priority of devolved offices. More financial support is required to maintain operations especially during floods and disasters.

Comprehensive and Integrated Delivery of Social Services (CIDSS) Project

A five-year project (1994-1998) of the DSWD is a poverty alleviation service delivery scheme for the improvement of the quality of life of the impoverished Filipino families. The joint DSWD-LGU project aims to empower families and communities to undertake productive activities and ensure access to social services through capability building and training. This project covers the poor barangays identified by the Presidential Council for Countryside Development (PCCD) and Presidential Council to Fight Poverty (PCFP). The criteria for the selection of the target areas were poverty level, accessibility, and expressed support from the mayor. The budgetary outlay has an LGU counterpart, and NGO contribution. Concerns included access to food, clothing, education and health services; membership in associations; disability; disadvantaged status; prostitution; illegal recruitment; battering; sexual abuse; detention; and armed conflicts. Activities are undertaken in coordination with LGUs and other government and non-government agencies. An inter-agency committee was organized through the municipal council. Community members were oriented to the basic minimum needs approach.

The emerging issues and concerns after devolution included:

1. Lack of clarity of roles of social welfare development officers;
2. Financial constraints since most devolved workers were not paid their salaries;

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3. Training inadequacies of devolved workers in marriage counseling, disaster management, court-related services, communication skills, and development of special project;
 4. Difficulty in communication (reports and feedbacks) with LGUs;
 5. Misgivings of local leaders in terms of effective supervision of devolved workers (since their salary is at times lower than that of social workers);
 6. Political appointments of DSWD workers;
 7. Differences in prioritization between local leaders and national government agencies (NGAs), e.g., poverty alleviation, social integration;
 8. Delineation of the responsibilities of the municipality and province in devolved services;
 9. Inadequate guidelines and operating manuals in devolved programs and services;
 10. Non-inclusion in the local budget of the minimum requirements of the devolved staff;
 11. Political opposition to specific programs which affect the working relationships between the devolved workers and local leaders;
 12. Multiplicity of roles and functions of devolved staff due to the need to interface with local leaders and NGOs;
 13. Negative attitudes of local leaders towards social welfare due to the earlier perception that it is equated to disaster/calamity relief operations. There was a feeling that the mayor's office could absorb the functions of the social welfare office since DSWD programs and services were considered palliative and not in need of professional inputs;
 14. Lack of knowledge on the part of the devolved workers of the LGU policies;
 15. Emergency assistance funds mainly channeled to cities;
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16. Need for re-orienting the LGUs on the functions of the social workers;
17. Refusal of some LGUs to include a social services budget;
18. Lack of supervision and program implementation due to inadequate knowledge on programs and services or deliberate neglect due to the low priority of social services; and
19. Replacement and non-absorption of qualified social workers by political leaders.¹⁷

NGO and PO Involvement

While the passage of the Local Government Code (LGC) of 1991 created avenues for dynamic change in local governance and recognized the existence of non-government and people's organizations as pursuers and purveyors of social development, the road ahead remained mired with difficulties. LGUs were vested with greater powers, resources, and responsibilities, but they also came face to face with realities of change. Weighed against each added responsibility was the need to upgrade skills, knowledge, and attitudes to meet the challenges of governance. While non-government organizations (NGOs) and people's organizations (POs) welcomed the opportunities for participation and partnership offered by the Code, they also realized that they need to retool their development agenda and policy directions to legitimize their role in the local governance scene.¹⁸

The LGC institutionalized the role of NGOs in local governance, where the pertinent provisions could be located in the Implementing Rules and Regulations of the Local Government Code of 1991 (1992). The LGC provides that LGUs shall promote the establishment and operations of POs, NGOs, and the private sector to make them partners in the pursuit of local autonomy. A modality is the provision for NGO representation in local legislative bodies. Specifically, the LGC provides that local legislative bodies or local special bodies (at the barangay, municipal, city and provincial levels) shall include one sectoral representative each from the women's and workers' sectors, and one from any of the following sectors: urban poor, indigenous cultural communities, disabled persons, or any other sector that may be determined by

the concerned sanggunian. The manner of election of sectoral representatives in the sanggunian shall be subject to the rules and regulations promulgated by the Commission on Elections (COMELEC).

The relations of local government with POs and NGOs and the private sector are further defined under Rule XIII of the Implementing Rules and Regulations of the Local Government Code of 1991. Article 62 on the Role of People's Organizations, Non-Government Organizations and the Private Sector provides that POs, NGOs and the private sector shall be directly involved in the following plans, programs, projects, or activities of LGUs:

1. local special bodies;
2. delivery of basic services and facilities;
3. joint venture and cooperative programs or undertakings;
4. financial and other forms of assistance;
5. preferential treatment for organizations and cooperatives of marginal fishermen;
6. preferential treatment for cooperatives' development; and
7. financing, construction, maintenance, operation, and management of infrastructure projects.

Under Article 63 on Local Special Bodies, NGO representation is provided in local development councils; prequalification bids and awards committees; health boards; school boards; peace and order councils; and law enforcement boards. Duly designated representatives of accredited POs, NGOs, and the private sector operating in provinces, cities, municipalities or barangays shall sit as members of their respective Local Development Councils (LDC). It is further provided that the members of NGO representatives in each LDC shall not be less than one-fourth of the total membership of the fully organized council. The local chief executive is mandated to undertake the necessary information campaign to ensure participation of all within his territorial jurisdiction. The local health boards shall include one representative from the private sector or NGOs involved in health services. The NGOs shall be represented in the local school boards by one representative each from the Parent Teachers' Association (PTA) federation, the teachers' organizations, and the non-academic personnel of the public schools in the localities.

Finally, the representatives of the POs and NGOs in the local peace and order councils and the people's law enforcement boards shall be selected in accordance with existing rules.

Article 64 of the LGC lays down the Procedures and Guidelines for Selection of Representatives of POs, NGOs or the Private Sector in the above-mentioned local special bodies, as follows:

1. Call for application - within thirty (30) days from the approval of these rules and thereafter, within thirty (30) days from the organization of the newly elected sanggunian, each sanggunian concerned shall call all community-based POs or NGOs, including business and professional groups, and other similar aggrupations to apply to the LGU concerned for accreditation for membership in the local special bodies. The application shall include a duly-approved board resolution of the POs, NGOs or the private sector concerned, certificate of registration, list of officers, accomplishments, and financial data of the organization.
2. Accreditation - the sanggunian concerned shall accredit the organizations based on the following criteria:
 - a. Registration with either the Securities and Exchange Commission, Cooperatives Development Authority, Department of Labor and Employment, Department of Social Welfare and Development, or any recognized NGA (national government agency) that accredits people's organizations, NGOs, or the private sector. If not formally registered, the said organizations may be recognized by the sanggunian for purposes only of meeting the minimum requirements for membership of such organizations in local special bodies;
 - b. Organizational purpose and objectives include community organizations and development, institution-building, local enterprise development, livelihood development, capacity building, and similar development objectives and considerations;

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- c. Community-based with project development and implementation track record of at least one year;
 - d. Reliability as evidenced by the preparation of annual reports and conduct of annual meetings duly certified by the board secretary of the organization.
3. Completion of the accreditation process - the sanggunian shall complete the accreditation process within sixty (60) days from the promulgation of these Rules or within the same period from the organization of the newly elected sanggunian;
 4. Meeting to choose representatives of POs, NGOs, or the private sector - within fifteen (15) days after the accreditation process, the DILG field officer assigned in the LGU shall call all accredited POs, NGOs, or the private sector to a meeting where these organizations shall choose from among themselves which POs, NGOs, or private sector shall be designated their principal and alternate representatives. In no case shall an organization or a representative thereof be a member of more than one local special body within a province, city, or municipality.
 5. Term of selected representatives - the term of office of a selected representative shall be co-terminus with that of the local chief executive concerned. Should a vacancy arise, the selected POs, NGOs, and the private sector shall designate a replacement for unexpired term.

NGO/PO Responses to the LGC¹⁹

The National Context

Steps have been undertaken by the POs and NGOs to avail of the opportunities for participation in local governance as provided by the LGC. Except for a few development NGOs operating in Northern Luzon, and in other parts of the country, reactions from the NGO/PO community to the LGC were slow in coming. Even in the National Capital Region, only the big national networks of NGOs were, in varying degrees, knowledgeable about the general provisions of the Code when this law took effect. These

were the 10 nationwide NGO networks that constituted the Caucus of Development NGO Networks or CODE-NGO, which was formally organized in December 1991. In effect, NGOs which should have formed part of the local autonomy process could not immediately take up the challenge presented by the LGC in local governance. The GOs (government organizations), specifically the LGUs, were no better off in terms of their understanding and grasp of the LGC. This drawback in getting both the NGOs and GOs involved in the early implementation of the LGC may be attributed to:

1. the failure of the national government to conduct a well-coordinated information drive on the Code, both for local government officials and employees, and the NGOs; and
2. the perception of some NGOs that the Code could just be one of the "usual" laws enacted by Congress.

Fifteen major national NGO networks were represented in the National Coordinating Council. Under the National Coordinating Council were three task forces, namely: (a) consultations; (b) screening; and (c) advocacy and linking. Among others, the Task Force on Consultations was mandated to make all the necessary preparations for consultations among NGOs and POs in the various regions of the country. Basically, the objectives of the regional consultation were:

1. to provide the local NGOs/POs with insights on the salient features of the LGC, especially those that have bearings on the development efforts of NGOs/POs; and
2. to set up of a parallel structure or mechanism at the local level (regional, provincial, and/or municipal) similar to that at the national level, to ensure the NGO's participation in local governance.

The Task Force on Screening was involved in formulating the guidelines and mechanisms on the manner of accreditation and selection of NGOs and POs. These were presented for adoption at the local level during the regional consultations.

The Task Force on Advocacy and Linkaging was involved in the preparation of the National Coordinating Council's Consensus Statement on their networks' participation in the LGC. This Task Force was also mandated to launch an information campaign on the LGC for the NGO community and the public. Essentially, this effort involved the production of a primer and handbook on the LGC.

The NGO community has identified issues that hinder the GO/NGO relationship.²⁰ These are:

1. lack of a common definition of NGOs, since they range from institutions to spontaneous people's movements. They have been described as private volunteer organizations, social development agencies, or alternative cause-oriented groups that are non-profit and legally committed to the task of development, and established primarily for socio-economic services, civic, religious, charitable, and welfare purposes;
2. confusion between the terms "NGO" and "private sector", although "NGO" refers to developmental and non-profit organizations, while "private sector" refers to businesses and corporations;
3. lack of understanding of NGO's roles and approaches;
4. lack of common understanding of the rationale for GO/NGO cooperation;
5. questions of accreditation for program participation;
6. monitoring of NGO assistance;
7. selection of prospective partners;
8. adversarial attitude toward NGOs; and
9. dealing with GO bureaucracy.

Assessment and Evaluation

The Local Government Code gives NGOs elbow room by providing them 25 percent of the seats in provincial, city, municipal, and barangay development councils tasked to formulate and recommend to the Sanggunian development plans and projects to build their communities. The elected officials were reminded by the Department of Interior and Local Government (DILG) to prepare for this partnership and take the lead in organizing the NGOs. The novelty of having NGOs as partners in the planning and development makes some political leaders nervous. How will power sharing be handled? What if goals, policies, and procedures are viewed as dramatically opposed? What if one with the experience of government bureaucracy claims to know more than another, and so delineates the NGOs created for financial advantages from those that have worked with the grass roots for many years in order to uplift their lives? The NGOs are being given a chance to work with legitimate power structures, and compromise with realities of the bureaucracy and a constituency with multiple -- sometimes contradictory -- demands. Finally, they have access to resources. How will they use them? Are the selected officials willing to share their power, as they have been mandated by the new law? NGOs may also enter into joint ventures with the local government in the delivery of basic services and development projects including skills and management training. The important and immediate challenge posed to NGOs is to participate actively (through consultations, lobbying, and monitoring) in the formulation of the implementing guidelines of the Code. No mechanism is provided in the code for the direct participation in guidelines formulation. It is obvious that local governments need NGOs' support from technical assistance to capability building programs. NGOs could operationalize the accountability mechanism at the local level. The mechanism of recall states that citizens, through a petition of 25 percent of votes in the area, may petition the recall of an erring public official. NGOs can provide the structure to initiate the recall and initiative process.²¹

With the mix of expectations, the question posed is: How does the NGO sector interpret the intent of the local government code? Local autonomy is viewed as the transformation of LGUs as self-reliant communities and active partners in the attainment

of national goals through a decentralization system. What the code seeks from the NGO sector is greater stakeholding in local governance - the delivery of services. The NGO community is heterogenous. Development NGOs are outnumbered by LGUs by a ratio of 14 to 1. Most of the development NGOs are located in urban centers which precludes a more realistic match up. Some NGOs feel that working with government poses real dangers of being co-opted and transformed into implementing arms. A system whose inexplicable corruption runs deep cannot be transformed by a few good people with the best of intentions, and there is a thin line separating collaboration from outright opportunism. This has led to ambivalence toward participating in governance.

NGOs/POs basically have a positive attitude toward the local government code in the health and welfare services (range of 3.8 to 4.4 in a scale of 1 to 10). POs and NGOs are leader-centered, where personalities tend to be more politically skilled and aware, and initiate and sustain efforts to gain participation in local governance. While LGUs claim to favor political participation of the private sector in governance, they lack the understanding of NGOs and POs where socio-civic groups are favored over social development groups. Participation in local governance mirrors a clash of interest and forces at play. Local governments are not yet ready to share their power with NGOs and POs. Worse, they do not have a clear conception and appreciation of the nature of development NGOs and POs in their locality.

On the other hand, NGOs and POs are trying out this arena unprepared. The delay in implementation of local sectoral representation weakens genuine people's participation in local governance. Those who oppose sectoral representation look at the process of political recruitment as an exclusive game for the rich. Other sectors do not have the right to govern - a revered profession of traditional politicians who view sectoral representation as giving poor sectors a free hand to steal their birth right. This elitist view militates against people's participation.²²

The LGUs will cease to become effective partners for change and development if local leaders remain insensitive to the needs of the people -- the intent in "empowering the sanggunians...to determine the number of sectoral representatives and sectors that may be represented in their respective

sanggunians" is simply to empower the already powerful at the expense of the powerless. The bill seeks to disenfranchise the concerned sectors who have nothing to lose but the opportunity to look after their special interests. Giving the local council the prerogative of deciding on the number and sector to be represented will only encourage patron-clientilism. Local politicians have yet to master the new rules of the political ballgame prescribed by the code vis-a-vis sectoral representation. Amending the code in this manner is a ploy to perpetuate the deeply entrenched traditional politicians and local moneybags who view electoral victory as an opportunity to accumulate more capital. What they need are allies in their business of patrimonial plunder and not the marginalized sectors who in their view only need to be helped and not to govern, to stay in charitable institutions (in the case of the disabled) and not to sit in the local council.

Finally, and perhaps most significantly, local governments will remain weak political vehicles for social transformation if they do not develop their capabilities to extract resources that will enable them to help their own constituents help themselves. The intent to grant local sanggunians the right to determine the number and the sectors to be represented in the local councils, on grounds that the Code-mandated three sectoral representatives would be an additional financial burden to the LGUs, is good only as an excuse and not as a solution to the financial problem of the LGUs. The access to decision-making centers to enable the neglected sectors to translate their collective interest into meaningful policy initiatives is fueled primarily by their selfish interest. Instead of taking the elections of sectoral representation as a challenge and opportunity to use and develop both the human and natural resources available to them, the oppositors to the same insist on their narrow economic representation. If people empowerment serves as the cornerstone of the Code, then legislators should find ways that would support LGUs in shouldering the cost, not only of the elections of sectoral representatives, but the whole political project of people empowerment. The problem lies not in the sectoral representatives, since they are not to be regarded as an "additional burden" but as partners in local governance. Their lack of representation in government is the problem, and new innovations for a more creative and dynamic local governance is needed to redress their marginalization from the political mainstream.

To discuss the importance of the election of sectoral representatives in local sanggunians solely on the basis of financial affordabilities is myopic and misses the whole point and spirit of sectoral representation and people empowerment.

Local legislators and politicians who oppose sectoral representation must take the challenge of looking beyond the amount involved because the dividends of empowerment would eventually create self-reliant communities. The task of social transformation begins with a people-centered vision of democratization and development. This vision necessarily requires the representation and participation of the various sectors in society in local governance. Together, the local leaders and people build a strong partnership and harness capabilities to extract resources for local development.

The concerned sectors and other like-minded groups who believe that the provisions of the Code on the elections of sectoral representatives must be implemented must also take up the challenge of forging horizontal and vertical linkages to make local governments truly representative of the people. Together with the NGO/PO community, they must work actively as a lobby group for the immediate implementation of the provision on sectoral elections in particular, and of the whole Code in general.

The success of local autonomy is not only a serious business for politicians. Sectoral groups are also active participants toward that end and, given the opportunity, their integration into the political mainstream will eventually create a new political environment that will make political participation a concern of all - thereby bringing local government closer to the people they ought to serve.²³

Implications for NGO/PO Participation in Local Social Sector Programs: Rethinking the Role of the NGO/PO Sector ²⁴

Need for NGO/PO Self-Assessment

As NGOs/POs participate in local social sector programs, they may need to take time to assess the parallel changes that are necessary within their sector. As in the past, NGOs/POs are challenged to create the vision, structures, systems, and programs that are suited to the changing climate of social development in the move to decentralize governance. However, before NGOs/POs can renew themselves, it may be necessary to analyze the strengths and weaknesses that they presently bring to their participation in local governance. Similarly, there is a need to assess the potential problem areas that may arise as the sector relates with local government units. The practice of self-criticism within the sector may be necessary to start a process of renewal of visions, structures, and programs of the NGO/PO sector.

Emergence of the Provincial Networks

Given the implications of the Code, the NGO/PO sector may need to further consolidate its ranks in the provincial and municipal level through more networking and linkages. The major task facing NGOs/POs today is in operationalizing a common vision and strategy for NGO/PO networks' participation in local governance within their geographic local areas. Traditionally, NGOs/POs have worked on different sectoral concerns, linking up more with national networks which share their agenda. NGOs/POs, within a given area, may now have to do more networking and find areas of complementarity and cooperation. The strategy would have to be two-pronged. One aspect would be the need to present a consolidated development framework for the area. The other would be the need to develop a concrete program, project models, and coordinate mechanisms that would concretize this development framework.

NGO/PO Accountability

There is also a need to devise mechanisms to ensure the accountability of the NGO/PO representative to their constituency - the people. Venues for regular dialogues between the NGOs/PO

and their sectoral representatives are necessary as means for monitoring performance or even recalling non-performing NGO/PO representatives to the local bodies and sanggunians.

Empowerment of People's Organizations

The need to empower the people's organizations is another serious implication of NGO/PO participation. People's participation in local governance may be measured by the actual representation of different marginalized sectors by the people who themselves constitute the sector. The NGO sector cannot be another layer that separates the POs from true people's participation in governance. In a sense, a parallel effort of decentralization is required; as central government gives way to local government, and national networks give way to provincial networks, so must NGOs to POs. The guiding principle of all these corollary efforts to decentralization is to incorporate participation of people in the structures and programs that affect their lives through complementarity between each sector. This requires of NGOs a doubling of efforts at capability building and the "will to be less".

With the move to decentralize government, NGOs/POs have entered into a new phase in their relationship with government. Whatever difficulties may lie in the way, both partners will be tested by their commitment to the same constituency. In the final analysis, it is the same criteria by which they will be judged: Do the people have better access to services? Is there effective stewardship of resources? Are communities more self-reliant and independent, and have the people been empowered? Has development been brought that is just, sustainable, and equitable?

Perceptions of Policy-makers, Program Planners, and Local Leaders

The implementation of the decentralization as perceived by the local leaders and the sectoral representative is beset by numerous problems. First and foremost is resource generation. As social sectors are devolved to local government units, funding requirements become more severe, such that alternative resource mobilization strategies need to be developed to absorb the devolved manpower and provide for the needed infrastructure. There is a

clear recognition that the leaders and sectoral representatives at the upper echelons are aware of the philosophy and concepts of decentralization. As one goes down the hierarchical ladder, the framework and implementation mechanisms become nebulous. There are problems regarding the prioritization of concerns; the requisite of the general control and supervision of social service delivery, the relationship between the social services and the community, functions retained by the health agency, planning in the local government unit, situational analysis, strategy formulation, implementing, monitoring, evaluation, crucial concerns for both the LGUs and service sectors, and partnership. Likewise, the representation, roles, and functions of specified bodies need to be detailed. There are also the overriding concerns regarding political elitism.

Four factors affecting the success and failure of a decentralized program are:

1. the degree to which central political leaders and bureaucracies support decentralization and the organizations to which responsibilities are transferred;
2. the degree to which the dominant behavior, attitudes and culture are conducive to decentralized decision-making and administration;
3. the degree to which policies and programs are appropriately designed and organized to promote decentralized decision-making and management; and
4. the degree to which adequate financial, human, and physical resources are made available to the organizations to which responsibilities are transferred.

With an appropriate analytical framework, decentralization can pursue organizational reforms that are likely to succeed. The real challenge is the development of a complex and mixed administrative system which defines institutional arrangements that produce incentive/disincentive structures appropriate to the completion of the task at hand.

Key Informants' Interview

The results of the interview of key informants were embodied in the issues and concerns expressed by the relevant personages (LGUs, CAs, and service providers) in each sector. These have been succinctly summarized in Table 2.1. General concerns include a resource-generating perception that decisions are still basically centralized, as are with prioritization of programs.

TABLE 2.1

Issues and Concerns on Decentralization

Based on Key Informants' Interview

Sectors	Central	Provincial	Municipal	City	Barangay
Health	I R A allotment biased in favor of cities; devolved personnel receive higher pay than local officials	Inadequate funds for operation and maintenance of devolved hospitals	Budget submitted is revised and a considerable percentage is deducted from the original allocation	Budget for personnel devolved is inadequate	Supply of medicine is inadequate; facilities are not in good condition
Educa- tion	Maintenance of school buildings is not given priority in third class municipalities because of inadequate funding and the inability to generate funds	Appointment of teachers is taken up by LSB but still decided on by the central office		Consultation is done only when it comes to appointment of teachers	Budget for maintenance and operation of school facilities and personnel is insufficient
Welfare Services	I R A allotment is inadequate as viewed by some municipalities; assistance from the national office is still needed	Salaries of devolved personnel become a problem to the province's budget	Inadequate funds for the implementation of social welfare programs at the municipal level	Inadequate funds for devolved personnel	No permanent site for the Day Care Center

Case studies were undertaken in a rural and an urban community to document the activities of the various entities engaged in social sector program planning and implementation, the problems and issues arising from such implementation, the evolution of the decentralized program, problems and their subsequent resolution, outcomes of efforts on the situation of the people and the community response. Lessons were drawn from the results wherein ways were explored to concretely utilize these experiences in subsequent social sector programs. Some of the areas for consideration were official and beneficiaries' expectations of the program, expected benefits and means of realization, inputs, organization of a specific social sector activity, groupings emerging from these efforts, management and mechanisms for project implementation, nature of involvement of planners and implementors, activities undertaken in the community, roles assumed, supervision, and monitoring. Emergent issues and their resolution included those emanating from the implementation of the program, the interaction among the local government, NGOs, and the community subsystem; agencies' relationship with one another; and the peculiar ecological and sociological characteristics of the community that may affect the program.

Lessons Drawn from the Case Studies

1. Effective community-controlled social organizations are important if not essential instruments, if the local leaders are to give meaningful expressions to their views regarding decentralization, mobilize their own resources in self-help action, and enforce the decentralization mandate;
2. Though many central sectors and local government units claim commitment to the tenets of decentralization, little progress has been made in translating the policy into effective action. The prevailing blueprint approach in decentralization with its emphasis on detailed programming and time-bound program is cited as an impediment;
3. Local leaders are able to achieve an unusual degree of fit between beneficiary needs and program inputs. The key is building an organization that is capable of embracing error, learning with the people, and building knowledge and institutional capacity through its own action;

4. The lowest level of governments are ablest to solve local problems, depending on the commitments and vision of local leaders;
5. Given the passivity of most beneficiaries, a major means of enhancing prospects for local action is to provide some form of incentive to facilitate the beneficiary's response.
6. Effective leadership at the lowest level is the critical factor in implementing and sustaining decentralization initiatives. Local leaders, drawn from the communities which have strong personal and family ties, tend to act on a perceived community interest. The lack of skills required for organizational tasks may be weighed against the leaders' ability to provide traditional legitimacy, knowledge of informal process, and capacity to mobilize community support;
6. Accountability should be broad-based. Leaders are more likely to act in ways that support local interest if they are held accountable to their constituency. Local level staff capabilities are built through shared decision-making. Failures stem not only from misperceptions regarding the potential of low-level personnel, but also fears of relinquishing power and authority. When people are not allowed to participate in decision-making affecting their welfare, their motivation and sense of self-worth declines. The desultory performance becomes the rationale for their exclusion from participation in these activities.

Glossary

ARI	Acute Respiratory Infection
BHS	Barangay Health Station
BHW	Barangay Health Worker
CIDSS	Comprehensive and Integrated Delivery of Social Services Project
CSA	Comprehensive Service Agreements
CWDF	Country-Wide Development Fund
DBM	Department of Budget and Management
DDCP	Diarrheal Disease Control Program
DECS	Department of Education, Culture, and Sports
DILG	Department of Interior and Local Government
DOF	Department of Finance
DOH	Department of Health
DSWD	Department of Social Welfare and Development
EFA	Education for All Program
EPI	Expanded Program for Immunization
FHO	Field Health Offices
FPAP	Family Planning Assistance Project
FPP	Family Planning Program
GSIS	Government Service Insurance System
HCG	Health Consultancy Group
HMDF	Home Development Mutual Fund
HQ	Headquarters
IPHO	Integrated Provincial Health Office
IEC	Information Education and Communication
IRA	Internal Revenue Allotment
IRP	Integrated Revenue Program
LGA	Local Government Academy
LGAMS	Local Government Academy Management Services
LGC	Local Government Code
LGU	Local Government Unit
LHB	Local Health Boards
LSB	Local School Boards
MCP	Malaria Control Program
M & E	Monitoring and Evaluation
MHO	Municipal Health Officer
MOA	Memorandum of Agreement

MWSS	Metropolitan Waterworks and Sewerage System
NCR	National Capital Region
NGA	National Government Agency
NGO	Non-Government Organization
NID	National Immunization Day
PHC	Philippine Health Care
PHDP	Philippine Health Development Project
PHN	Public Health Nurse
PHO	Provincial Health Officer
PO	People's Organization
PSWO	Provincial Social Welfare Officer
PBAC	Pre-Qualification Bids and Awards Councils
PCCD	Presidential Council for Countryside Development
PCFP	Presidential Council to Fight Poverty
PTA	Parent Teachers' Association
RDC	Regional Development Council
RHCT	Regional Health Consultancy Team
RHU	Rural Health Units
RHW	Rural Health Midwife
SCP	Schistosomiasis Control Program
SDO	Service Delivery Outlet
SEA	Socio-Economic Act
SRA	Social Reform Agenda
SSS	Social Security System
SWA	Social Welfare Assistant/Aide
SWO	Social Work Officer
USAID	United States Agency for International Development
WB	World Bank

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CHAPTER III

Thailand: Translating Policy Into Action

Boonlert Jeoprapai

A. *Administrative Structure of Thailand*

In Thailand, the transfer of planning, decision-making and administrative authority from the central government to the local administrative units, local government, or non-government organizations to a certain degree may have begun, in the past four decades, when the Municipal Act of 1953 was adopted. The country has six types of local self-government (LSG), namely; *Changwat* (provincial) Administrative Organizations (CAOs), municipalities, sanitary districts, *Tambon* (sub-district) Administrative Organizations (TAOs), Bangkok Metropolitan Administration (BMA) and Pattaya City. These six types of LSG are briefly described below.

1. *Changwat* Administrative Organization

The *changwat* administrative organization is the provincial unit of local self-government. It was created by the *Changwat* Government Act of 1955 to provide government services to all inhabitants who are not within the geographical jurisdiction of a municipality, a sanitary district, or a TAO. The CAO has two major components: the elected *changwat* assembly, which acts as a legislative body; and the provincial governor, who acts as its chief executive. The main function of the *changwat* assembly is to meet annually to approve an annual budget and to audit the previous year's expenditures. Since the CAO's budget comes from provincial revenues, which are quite small, it is supplemented by grants and loans from the central government through the Department of Local Administration. The CAO may also receive assistance under the Accelerated Rural Development (ARD) programme involving

public work projects in the province. The projects are administered by the Office of the ARD within the Ministry of Interior. The governor is responsible for presentation of the budget and implementation of the assembly's adopted programmes.

2. Municipality

The municipality is the most important form of local government in Thailand. It is incorporated to provide large urban areas with limited self-government. Established by the Municipal Act of 1953, municipalities are divided into three classes on the basis of their population, revenue capabilities, and ability to provide services. They are: (1) city municipality; (2) town municipality; and (3) *tambon* municipality. City municipalities must have at least 50,000 inhabitants and an average population density of 3,000 per square kilometer, and adequate revenues to support limited governmental activities. Town municipalities must have at least 10,000 people with the same population density as city municipalities, and necessary financial resources (or be the seat of the provincial government). *Tambon* municipalities may be established if the Ministry of Interior is convinced that the area's local problems and future development can best be met by the application of a municipal form of government. The establishment of *tambon* municipalities, therefore, does not require adequate local financial resources to support their assigned functions as they are assisted by the central government's grants-in-aid.

Each municipality is composed of an elected municipal council and a municipal executive board. The council is the legislative body of the municipality, which is like the *changwat* assembly. It reviews and approves the annual budget and passes municipal ordinances (consistent with central government laws).

Members of the council are elected from citizens within its incorporated area, with a term of five years. The number of members varies according to the municipality's class: 24 members for a city, 18 for a town, and 12 for a *tambon*.

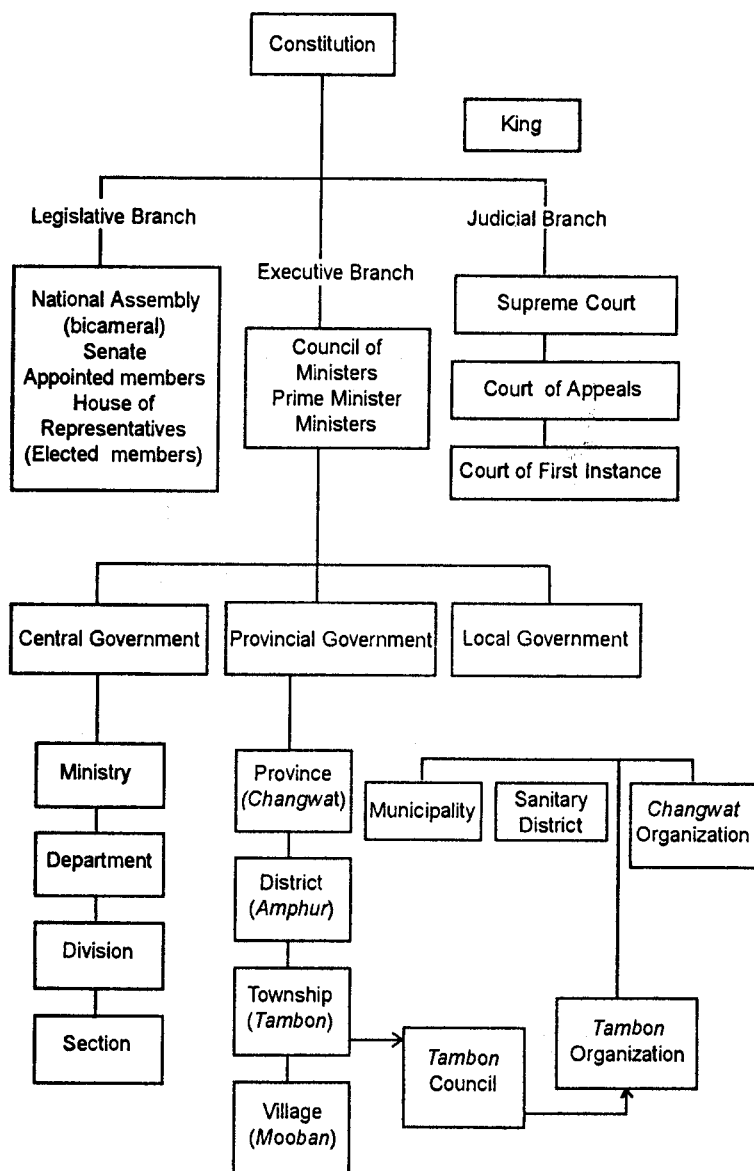
The municipal executive board is the body that administers all municipal functions. The council consists of a president, called the mayor, and two or four additional deputy mayors, depending on the class of municipality. They are all elected from the members of the council and appointed by the governor of the province. The board has two main functions: to determine policies and present appropriate ordinances and recommendations to the council, and to supervise the operations of the municipality and its employees. Each municipality has a municipal clerk (city manager), aided by one or two deputy municipal clerks, to administer its activities which are handled through a number of specific divisions. The number of divisions is determined by its class and total annual revenues.

3. Sanitary Districts

The sanitary district is the oldest form of local government in Thailand. It is a quasi-urban local government jurisdiction, established by the order of the Ministry of Interior, where there is a concentration of population and an expectation of revenue that might support limited governmental activities, but not large enough to finance a small municipality. There are specific conditions for application of sanitary districts under the Municipal Act of 1953: (a) its size must be between one and four square kilometers; (b) it must have about 100 commercial stores; and (c) it must have a population of about 1,500. In practice, the most important factors are population density and potential revenue.

FIGURE 3.1

Administrative Structure of Thailand



4. *Tambon* Administrative Organization

The *tambon* administrative organization is the smallest form of local government. It was first established by the *Tambon* Authorities Act of 1956, which was revised in 1968. The organization has as its legislative body a council composed of the *Kamnan* and all village headmen, plus one elected member from each village. Since its boundary is identical with that of a sub-district, the *kamnan* acts as the chairman of the organization's council. They perform duties in accordance with laws and regulations issued by the Ministry of the Interior. Their expenditures are financed through appropriations from the Department of Local Administration under the budget of the provincial council and from the Department of Community Development through its rural programme budget. Since its inception in 1956, the *tambon* administrative organizations have had limited financial resources and organizational capability. They have to depend heavily on grants-in-aid, which are usually small, from the central government. Most of them are unable to perform all their assigned duties.

5. Bangkok Metropolitan Authority (BMA)

The Bangkok Metropolitan Authority is a special form of local self-government, created by National Executive Council Order No. 355 of 1972, and later revised by the Bangkok Metropolitan Act of 1975. The BMA was established by merging all local self-government bodies within the Bangkok and Thonburi boundaries into one government entity with its own unique organization and functions different from municipalities. The BMA government is made up of the BMA assembly and the governor. The BMA assembly acts like a legislative body, to review and supervise all

administrative duties of the governor and his staff, and to propose and pass city ordinances. Members of the BMA assembly are elected by its citizens for a four-year term.

The governor is the chief executive for the BMA administration with assistance from four deputy governors appointed by the governor. The governor is elected by popular vote of Bangkok constituents with a four-year term. The operations of the BMA activities are, however, supervised by a permanent clerk (chief clerk), who is the highest official among the BMA officers. Under the permanent clerk are 12 bureaus, each with a director and having different functions ranging from planning to city police.

6. Pattaya City

Pattaya City also has a special form of local self-government. It is a chartered city created by the Pattaya City Act of 1978 in the image of city management in the United States. The city itself was developed from the Pattaya sanitary district. The rapid growth of the district as a major tourist attraction rendered the sanitary district type of local government incapable of handling problems and urban development. Hence, Pattaya City was established with greater independence and flexibility of functions and authority among the local people.

Pattaya City's administration is composed of the Pattaya City council and the chief clerk. The council acts as a legislative body and the chief clerk as the chief executive. There is no governor, but instead a lord mayor, who is also the president of the city council. The president is elected from council members of whom 17 members are elected and eight appointed by the Ministry of Interior. Both types of members have a four-year

term. The council's major activities are to oversee planning and policy implementations for city development and to pass city ordinances which are not in conflict with national laws.

From the chart of administrative structure, the public administration of Thailand is divided into three branches: the executive branch represented by the council of ministers; the legislative branch represented by the parliament with an elected house of representatives and an appointed senate; and the judicial branch represented by the courts of justice. The executive branch is divided into three levels: central, provincial, and local administrations. It can be seen that there are two types of local government. One is local government administration by the central government and the other is local self-government. The local government administration, which is divided into provinces and subdivided into districts and, further, into townships and villages, fits into the concept of "deconcentration". Thus, the provincial administration is a deconcentrated unit of the Ministry of Interior, which is further divided into lower levels of districts and subdistricts. Each of these deconcentrated units is headed by a professional civil servant appointed directly by the Ministry of Interior. In addition, there are a number of administrative offices of other central government ministries set up in provinces and districts to oversee and administer their programmes and projects.

Parallel to the local government administration is the local self-government, which is close to the decentralized form of government. There are altogether six types of local self-government units in Thailand, as described above.

These government entities are created with their legal status decreed by the national parliament. They have a specific administrative organization and functions to perform. They are empowered with limited fiscal authority, which is to some extent outside the direct control of the central government. They are also independent in making certain decisions within their legal boundaries. This form of local government is seemingly a devolution type of decentralization.

The administrative relationship between the central government, exercised mainly through the Ministry of Interior, and local self-governments, is close financially and legally. The central government exercises a great deal of control over the administration of local self-governments. Apart from financial dependence on grants and subsidies, the local government bodies are also subject to the central appointment of representatives who supervise their operations and policies. For example, the governor is delegated with supervisory powers over municipalities and *Changwat* administrative organizations; district officers chair the sanitary district committees; and *kamnan* chair the *tambon* councils.

Although the local self-governments are creations of law that grant them statutory authority to raise certain local revenues and make expenditures, the authority is subject to rules and regulations issued by the Ministry of Interior governing their functional responsibilities, revenue raising, financial practices, budgeting, asset management, and procurement of goods and services.

B. Evolution of Government Policies on Decentralization

Despite the tendency to emphasize "deconcentration" rather than "decentralization", attempts to decentralize public, social, and economic services are evidenced in the policies the five-year economic and social

development plans and the policy statement presented to the parliament by the newly-formed government. These two types of policy statement are not so different in substance but rather in emphasis.

1. The Third Social and Economic Development Plan (1972-1976)

"Achievement of social justice" was one of the six major categories of overall strategies of the Third Plan, the objectives of which were to provide social services to the public in a more equitable manner, and reduce the differences in the standard of living among various regions and among different classes of people in the urban area. Important measures included improvement of the standard of living of the urban and rural population, and manpower and employment development. Two measures which may be considered as relevant to decentralization, under the improvement of the standard living of the rural population category, were the expansion of community development programs to cover the entire country, and more autonomy to local authorities (NESDBm 1973).

2. The Fourth Economic and Social Development Plan (1977-1981)

One of the five major objectives of the Fourth Plan was the reduction of income disparities through the adoption of measures to improve income distribution and raise the living standard of target groups such as farmers, laborers, and others with low income. Various measures to spread the fruits of development as well as social services to people in the rural areas to a greater extent were adopted. Consequently, the Fourth

Plan contained three chapters on decentralization. The objective of the decentralized urban development strategies was to decentralize the growth from the Bangkok Metropolitan area by developing urban centers in other regions outside Bangkok to check the flow of migration into Bangkok. The emphasis on decentralization of basic infrastructure (community and economic infrastructure) was related to the decentralization of social services. The policy was the delivery of social services to the rural population with the ultimate aim of eliminating the gap between the social services provided in urban and rural areas. In educational development, one of the policies and guidelines stated in the plan was "the system of education administration will be modified so that there is more autonomy in policy matters concerning education in the central region and local areas" (NESDB, 1977). In public health development, the policy emphasis was on provision of health services such as medical care and treatment, disease prevention, and health programs for all sectors of the general public, particularly in rural areas. One of the measures adopted in the public health development plan was the decentralization of public health management which stated:

"Executive power will be more and more decentralized to provincial administration. This will include planning, implementation, decision-making, budget allocation and personnel control. This should enable provincial administrators to make their own decisions in solving local problems with more flexibility. Adequate assistance

will be provided to the provincial administration so that it can carry out its functions as stipulated by the law.

Operation plans at the provincial and community level will be prepared and these plans take into account local conditions and national development policies. Improvements will be made in the supervision and reporting system at various levels. Health workers of various categories will be trained and the private sector such as private colleges will be encouraged to participate in the training of certain types of personnel that are still in short supply, such as nurses and nurse-aids," (NESDB, 1977).

In the social welfare development plan, only target groups of the plan such as children and young people, the elderly, handicapped and deprived people were identified. Decentralization was not specified as one of the guidelines and measures for implementation of the plan.

3. The Fifth, Sixth and Seventh National Economic and Social Development Plans (1982-1986; 1987-1991 and 1992-1996).

Beginning with the Fifth Plan, major objectives of the development plans have been to create and maintain the balance between economic and social development, to distribute prosperity throughout provincial regions, and to

reduce poverty. Measures adopted to attain the above objectives have been several development programs such as population, social, and cultural development, development of urban and specific areas; and the rural development program. Decentralization of social services is mentioned in the work plans for adjusting the role of the government and promoting public participation. Guidelines specified the need to adjust the government's role from that of sole provider and administrator of social service activities, to that of supporter of private sector, community, and individuals, and catalyst for participation by the people, especially at the community and family levels, to prevent and solve social problems and encourage self-reliance in the long run.

4. The Government's Policy Statement

The policy statements of the present government, delivered to the Parliament on 21 October 1992, covers nine areas from political and public administration policy to national security, foreign affairs, economic and social policies. Decentralization of the administrative authority is one of the 15 measures under the political and public administration policy. It states:

"To conform to the principle of self-government, the government will decentralize the administrative authority to localities by having administrators of local governments at all levels elected by the people and by increasing the role and authority of the local governments in the formulation of development

policies, the management of natural resources and environment. The government will also promote the status of the local public organizations at *tambon* level by making them juristic entities and local government bodies in order to enable them to be more flexible and more efficient in solving problems at *tambon* level." (Siam Archives, October 1992)

In the area of social policy which covers education, religion and culture, health, consumer protection, workers, children and women, and sports, statements on decentralization of the administrative authority of the sub-areas were made. In education:

"To decentralize more administrative authority on education, from the central government to the regions, and to educational institutes by clearly defining the scope of responsibility, allowing education institutes more options in implementing policy, as well as providing support to individuals and organizations in the community to participate in the administration of community's educational activities through the committee on education." (Siam Archives, November 1992)

In health:

"To decentralize administrative authority from the central government to the regions by establishing the regional health offices responsible for implementing curative, promotive, and preventive health programs appropriate to problems and needs of the communities." (Siam Archives, November 1992)

The measure adopted by the government to implement the above policy on decentralization is the establishment of an ad hoc committee or working group to study or to draft the necessary bills. The "*Tambon* Bill" which was unanimously supported by the House of Representatives on 3 November 1993 was seen as a breakthrough in self-government at the grass roots level. An adoption of the bill at the first reading and for further scrutiny by a 42-man special House committee is also considered a "historical event" because "similar bills have been introduced in Parliament over the past 20 years but were never approved. A few times they were "killed" by a disbanding of Parliament by military coups," (Bangkok Post, 4 November 1993). The *Tambon* Council and *Tambon* Administrative Organization Bill was finally passed by the House of Representatives on 9 November 1994 and officially took effect on 2 March 1995, which was 90 days after its publication in the Royal Gazette. Under the *Tambon* Council and *Tambon* Administrative Organization Act 1994, there are two levels of *tambon* administration - the *tambon* council and the *tambon* administration.

A *tambon* council, with the status of a juristic entity, is chaired by the *kamnan* (chief) of the *tambon* (which comprises a number of villages). Other members of the council are the village chiefs of all villages, *tambon* medic, and one elected member from each village. The council is responsible for the development of the *tambon*. It is duty-bound to provide basic necessities, such as water for consumption and agriculture; protect and maintain natural resources and the environment; and improve the welfare of women, children, youth and elderly as well as the handicapped. Its income is allocated from the provincial administration organization (PAO), the council's own income from management of properties and public utilities, and the government's subsidy from the annual budget. The *tambon* council is mandated to prepare its own expenditure plan. It is eligible to enter into legal contracts, own properties acquired from its operations, and recruit its personnel without seeking approval from the provincial administration organization as before. However, the *tambon* council is not empowered to collect taxes as the provincial administration organization will be responsible for this and allocating part of the income from taxes to the *tambon* councils.

A *tambon* council with an average income of not less than 150,000 baht per year for three consecutive years is entitled to become a *tambon* administration organization (TAO). A TAO is governed by a council in which members are the *kamnan*, village chiefs, the *tambon* medic and 2 elected members from each village under the *tambon*. It is responsible for the *tambon* development in the economic, social and cultural fields. It is responsible for providing land and water communication routes, garbage and waste disposal, public health care, and public disaster

prevention and relief operations. It also provides water for consumption and agriculture and undertakes commercial ventures as approved by the TAO council. The TAO's income is drawn from various kinds of taxes. It is also empowered to generate income from the *tambon's* natural resources such as ores, petroleum, forest and bird nests. There is a TAO committee --- comprising the *kamnan*, not more than two village chief and not more than four elected members of the TAO-- to carry out projects under the TAO's development plan. There are also *tambon* officials to handle administrative duties. Moreover, the TAO is empowered to issue *tambon* ordinances to facilitate its administration. It is noted that once a *tambon* council becomes a TAO, it is no longer under the jurisdiction of the provincial administration organization (PAO). Of 6,781 *tambon* councils in existence, 618 became TAOs from 30 March 1995, according to the *Tambon* Council and *Tambon* Administrative Organization Act 1994. After the election of TAO council members in May 1995, the process of self-administration of 618 rural communities began. The extent to which these local administrative organizations function with the full participation of the people remains to be seen.

The progress made in an effort to decentralize the administrative authority on education is documented as follows: "the Council of Social Affairs Minister yesterday approved in principle a bill to decentralize the country's education administration and management" (The Nation, 13 September 1994). According to Article 6 of the draft bill, which states "for the purpose of directing, administering and managing educational affairs, the Ministry of Education and its departments will decentralize, delegate, or transfer the authority to administer and manage

both the technical and general administrative aspects of education, including personnel, budget and finance administration to all educational institutes under its jurisdiction with a view to making it congruent with the education program of the National Economic and Social Development Plan and the Education, Religion and Culture Development Plan of the Ministry of Education. If it is not possible to decentralize, delegate, or transfer the authority to educational institutes as specified in the clause 1 of this article, the Ministry of Education and its departments will decentralize, delegate or transfer the authority to the *Changwat* (province) Education Committee, *Amphur* (district) Education Committee or other official units under the Ministry of Education, as the case may be" (A Draft Bill to Decentralize the Ministry of Education's Administration and Management, no date). The draft bill is probably the output of a working group chaired by the Permanent Secretary of the Ministry of Education (Daily News, 25 October 1993). Since the parliament was dissolved on 19 May 1985, the draft bill did not have a chance to be reviewed and screened by the parliament. It depends on the newly-formed coalition government to consider if it is still interested in pursuing the matter of decentralization of social services further.

Responsibilities and functions for the provision of social welfare services to the underprivileged groups of population including children, youth, women, the elderly and the disabled are entrusted to the Department of Social Welfare, Ministry of Labor and Social Welfare. The Office of Social Welfare in each province acts as the field operating office of the Department. In short, it implies the deconcentration of functions and responsibilities, not decentralization. It should also

be noted that decentralization of social welfare services was not included in the policy statement of the newly-formed coalition government presented to the Parliament on 26-27 July 1995.

As may be seen from the political and administrative policy formulated by the new government, decentralization of the administrative authority to localities is one of the eight policy measures of the political and administrative policy area. The policy measures included the following:

1. Decentralize more public functions which are concerned with daily life to local government units with a view to enabling local people's participation in administration and problem solving. Promote, support and cooperate with local government units in solving problems with consequences and effects on nation's development such as traffic or environment problems;
2. Distribute more revenue to local government units step-by-step to enable them to administer their functions efficiently. Amend laws and regulations with a view to providing local government units more independence, flexibility, and effectiveness in budget management to cope with the increased income;
3. Hold elections of local administrators at all levels, recognizing that the *kamnan* (a town headman) and *puyaiban* (a

village headman) have the role in linking provincial and local administration to create solidarity among the people;

4. Allow local government units to have more independence in formulating local policies and authority in the formulation of policies on administration, development, and management of natural resources, environment, and town planning; and
5. Support local government units at all levels in carrying out their authorized functions with a view to enabling them to respond to the public needs more efficiently and effectively." (Matichon, July 1995)

The fiscal and monetary policy measure formulated by the government to assist in the attainment of objective of decentralization of the administrative authority is "[to] decentralize fiscal authority to local government units to enable them to have revenues in an appropriate and adequate proportion for effective administration of their own affairs." Also at the first meeting of the Council of Economic Ministers on 21 August 1995, one of the measures included in the economic package proposed by Prime Minister Banharn Silpa-archa was "the Government must decentralize authority to allow local communities to manage local natural resources and decentralization of the fiscal authority." (Bangkok, August 1995).

In education, the policy statement was:

"Support the decentralization of education by increasing the role of local government units in managing and administering education at the level and by type which are appropriate and congruent with local conditions and way of life." (Matichon, July 1995)

B. Relevant Literature on Decentralization

Almost all writings on decentralization in Thailand to date tend to focus on transferring of administrative authority of the central government mainly through the Ministry of Interior. At the central government level, there are 15 ministries including the Office of the Prime Minister. Ministries which are mostly responsible for public social services are Education; Interior; Labour and Social Welfare; and Public Health. While these ministries are located in Bangkok, most of them also have offices in provinces and districts, maintained by their staff and financed by their central budgets, to oversee their assigned responsibilities in the respective areas. The provincial administration is under the Ministry of Interior. There are 75 provinces (*changwat*); each province is headed by a governor, one or two deputy governors, and an assistant governor. A province is divided into several districts, each of which is administered by a chief district officer, also assisted by a number of assistants. Below the districts are two sub-units; township (*tambon*) and villages (*mooban*). Each township is headed by a town headman (*kamnan*) and every village, by a village headman (*puyaiban*). As the top official, the governor oversees general government affairs in the province; provincial and district officials from other ministries are also responsible

to the governor. However, the governor does not have any direct administrative control over those officials. They are required to report to their central departments in Bangkok, from which their funds are allocated.

As seen from the discussion on local self-governments, all types of local self-government, except the Bangkok Metropolitan Administration, are either under the direct responsibility or intermediate supervisory responsibility of the Ministry of Interior through its appointed officials: governors, district officers, municipal (city) clerks and others. Attempts to amend the law requiring all members of the local administration organization at all levels in every province to be directly elected by local inhabitants have never succeeded. The last one was the proposed Articles 198 and 199 of the Constitutional Amendments Bill which had been rejected by the previous parliament (the one disbanded on 19 May 1985). However, to achieve decentralization of all public services, it is necessary to change the existing relevant acts or to draft new relevant bills such as a draft bill to decentralize the Ministry of Education's administration and management. Consequently, most literature on decentralization are either in the form of articles or background papers presented at a meeting or seminar. Kooptaratana (1993) proposed in his paper entitled "Decentralization of Authority on Education: From Concept to Practice" the planned change encompassing mobilization of local participation of one of six major recommended activities. Wamananda (1994) proposed in his article entitled "Directions for Operations to Attain Health for All by the Year 2000" that decentralization of authority to the community and local people should be the first among the four important issues to achieve the goal of Health for All.

From the discussion on the status of decentralization in Thailand, it may be seen that a step in the provision of legal framework for decentralization of administrative authority has been made. As yet, no single public sector has actual experience in local authorities' implementation of activities.

PERCEPTION OF SOCIAL SECTOR DECENTRALIZATION

At present, the country has about 7,976 local self-government units comprising 75 *changwat* (provincial) administrative organizations (CAOs), 138 municipalities, 980 sanitary districts, 6,781 *tambon* (subdistrict) administrative organizations (TAOs) and 2 special local self-government units (Bangkok Metropolitan Authority and Pattaya City). The *Tambon* Council and *Tambon* Administrative Organization Act 1994, which became effective in March 1995, had provided the local self-government units of 618 rural communities more responsibility, authority, control and accountability for local administration and the management of social and economic affairs of the communities. Therefore, what will be presented are perceptions of key informants who are concerned with decentralized policies and programs at all levels.

Key informants were classified into 4 types as follows:

1. Officials of the central or provincial governments who have been responsible for formulation, administration, and monitoring of sectoral policies and programs at the ministerial, departmental, and provincial levels. Included in this category are the provincial governor and district officer since they are appointed official of the Ministry of Interior.
2. Elected officials of the local self-government units.
3. Officials of NGOs.
4. Rural villagers as beneficiaries of the decentralized programs.

A. Perception of Administrative Authority

Depending on the background and experience and, to a large extent, the knowledge and understanding of decentralization of the respondents, perceptions on decentralization of administrative authority vary. Only the appointed officials of the provincial government or elected officials of municipality understood the meaning of decentralization and its implications.

For appointed officials with administrative background and experience, decentralization of authority is probably perceived as a threat. Being appointed by their superiors, at either the Department of Local Administration or the Office of the Permanent Secretary of the Ministry of Interior of the central government level, to head provincial administrative units in the province or district, they are accountable to heads of their respective departments in Bangkok. Such observation is also made in a number of administrative offices of other ministries (education, labor and social welfare, etc.) set up in the provinces and districts to oversee and administer their programs and projects. Another reason for these appointed professional civil servants, especially those at the Ministry of Interior, to look upon decentralization of administrative authority as a threat, is the concern of losing fringe benefits and privileges associated with the authority delegated by the central government. In addition to the delegated supervisory powers over municipalities, and *changwat* administrative organizations, the governor is also the chief executive of the *changwat* administrative organization -- a position remunerated by a certain amount of honorarium and access to an expense account. A district chief officer is also the chair of the sanitary committee, a position enjoying similar benefits and privileges as those of the governor. When asked about his perception of decentralization of administrative authority, a district chief officer sidestepped the issue by stating:

"In decentralizing authority to local communities, what should be done first is to educate and develop the grass roots to think rationally and instill discipline. From my experience in working with the people for a relatively long period, public agencies and public officials should treat the inhabitants equally. A good example of which is the compensation to the people affected by the dam construction. If the people in one dam are compensated more than those in other dams, people in the other dam sites will return and demand more compensation. This will cause trouble for the local administrative officials who sometimes have to deal with the mobs without any support from their superiors or the public agencies concerned..."

For an appointed official with a high academic qualification and a relatively long working experience in community development, decentralization was viewed as "the central government reducing its role in the administration of local government." As a head of the province, a governor is appointed by the Ministry of Interior. In principle and by virtue of law, all other ministries' provincial offices are under the supervision of a governor. In practice and in reality, a governor is delegated limited functions and responsibilities in personnel and finance administration. The governor does not have direct administrative control over officials of other ministries. They are administratively required to report to central departments in Bangkok, from which their appointment, promotion and transfer emanate, and their budget allocated. For example, a governor is an ex officio Chairperson of the Provincial

Teacher Civil Service Commission. His duty is confined to implementing the decisions made by either the National or Provincial Civil Service Commission, which also means signing relevant documents such as a regulation, an announcement, and an instruction. Partly due to the reasons mentioned, and partly due to his educational background and work experience, a governor who was interviewed did not perceive the decentralization of administrative authority or management of social and welfare services as a threat. He agreed with the proposal that local administrative chief at all levels (governor, district chief officer, subdistrict headman, village headman, mayor) or a local administrative team be elected by local inhabitants. His only reservation was that it has to be gradually implemented when the province concerned is ready, which can be determined by a referendum. According to him, "the immediate step which the government should take is to provide opportunities for people to think and decide. Every cultural, economic, political and social project or program has to be conceived, decided upon, executed and controlled by the grass roots."

For elected officials of the local self-governments, such as mayors, decentralization is perceived as a kind of magic lamp. They hope or expect that decentralization with financial and/or administrative autonomy will enhance their capability to solve many or all local problems. One mayor went as far as saying "if local problems could be adequately dealt with locally, it may not be necessary for mobs in the provinces to march to Bangkok to see the Prime Minister." One mayor was of the opinion that despite limitations -- be they legal, financial or administrative -- local politicians could still get around these if a person studies rules and procedures seriously. Mayors and deputy mayors are elected by local inhabitants of incorporated urban areas. Concerns expressed by urban local politicians are restrictions in finance and personnel administration. The financial capabilities of the local self-governments are still limited by their revenue bases and collection efficiency. A municipal clerk and his deputy are appointed by the Department of Local Administration of the Ministry of Interior and required to report to appropriate hierarchy within the Ministry of Interior. A substantial proportion of personnel are also recruited, appointed, and paid by the Department of Local Administration in Bangkok. According to one mayor, whose opinion was concurred with by another mayor:

"The government has not decentralized to the extent that it should. How can we expect 50 members of the Council of Ministers to look after the welfare of over 50 million people and perform functions as well as assuming responsibilities over an area of approximately 500,000 square kilometers. We can not expect our congressmen to do the job either, because they belong to the legislative branch. Our town municipality covers an area of 20 square kilometers, yet a team of 3 members of the municipal executive board assisted by a large number of appointed officials could not fulfill various functions adequately... One of the major problems is the inadequacy of financial resources. The subsidy, which we receive from the government in the form of general grants, is only 100 bahts per head, and the specific grants we received for the current fiscal year is only 600,000 bahts. Although we have no conflicts with appointed officials, I am of the opinion that our municipality is overstaffed. ... I think that the governor should also be directly elected by local inhabitants. The election should be held gradually, meaning in a province where its inhabitants feel ready and willing to participate in provincial affairs democratically. In this case, the province must have full autonomy."

Despite hopes and enthusiasm of national elites on the prospect of decentralization when the *Tambon* Council and *Tambon* Administration Act took effect in March 1995, rural village leaders seemed not to have adequate knowledge, experience, and interest in local self-administration. At a seminar organized for 1,270 Local Administration Department officials, including provincial governors, vice governors, district officers and their assistants, then Prime Minister Chuan Leekpai, observed "today (1 March 1995) marks the milestone in the history of the country's local administration." He stressed the need for the local administrative organizations to work with the full participation of the people. Government representatives, be they provincial governors, districts officers or their assistants, will have to give the local administrators advice and support on various matters. He stated "I would like to ask all of you to give them advice and assistance so they can work effectively, but not to control them as in the past.... This change is a major event in history. It is not an experiment because administrative affairs are not things to be put on trial. We must be serious and work toward the goal of seeing greater public participation (Bangkok Post, 2 March 1995).

Results of in-depth interviews of 2 rural village leaders, and 2 sessions of focus group discussion among 11 village leaders in the northeastern and central regions, indicate that they are not interested in, and are not aware that the government has the policy of, decentralization through the subdistrict council. They would be pleased if more funds would be allocated to support projects in their subdistricts. They do not fully understand the implications of more authority, especially responsibilities and accountability. What was discussed at the focus group sessions concentrated mostly on how the projects are initiated, formulated, and prioritized at the subdistrict council meetings. Most interviewees and participants of focus group discussions were elected subdistrict and village headmen who were ex officio members of subdistrict councils. Most of the projects submitted by them were based on suggestions made by district officers or community development workers. Members of one of the subdistrict councils stated that the council still has to rely on a primary school teacher in the subdistrict to work as secretary of the meeting and prepare minutes. A number of village leaders expressed hope that with technical assistance and advice from district officers, they would eventually be able to handle all the subdistrict affairs by themselves.

Similarly, results of the 3 focus group discussions of 11 rural villagers composed of 5 housewives and 6 members of village committees indicate that they were not aware of the opportunity for local self-administration. The housewives stated that the major objective of their grouping was to initiate and implement income generating projects. They always asked community development officials in their area to support occupational training of one kind or another. However, when asked by community development officials to write the project proposal, giving details on activities and budgeting, they did not know how to do it. They had no idea what the functions of the subdistrict council were. They, however, indicated their willingness to participate in the subdistrict council's meetings, especially when the meeting concerned their activities. Members of the village committees were not more knowledgeable than the housewives on decentralization, functions, and responsibility of the local organizations such as subdistrict council or village committee. Some elected members of the council even stated that they personally were not interested in community affairs. Results of the discussion with rural villagers or expected beneficiaries of social services showed that they will accept or ask for services which they want from respective offices. For example, they are aware that the government is providing a grant to the elderly at the rate of 200 bahts per month. For minor ailment or vaccination, they will go the nearby *tambon* (subdistrict) health center for services, mostly at nominal or no cost.

B. Perception on Decentralization of Social Service Providers

Social service providers at all levels (policy, administration and implementation) were interviewed in-depth.

Labor and Social Welfare Services

The policy-maker and top administrator of public labor and social welfare services was wholeheartedly supportive of decentralization in the provision of services and for encouraging local people and communities to

participate in the provision of social welfare services. His perception on decentralization may be, however, considered as a variant of the generally understood meaning of "decentralization." It is the "delegation" of responsibility to communities. According to him:

"Consequences of demographic, social and economic change or development are that society is more complex; having diverse problems with greater magnitude. Moreover, people are receiving more in-depth information. It may not be possible for any agency to respond adequately to the needs of the people. For example, we have about 6 or 7 homes for the elderly which are able to accommodate about 10,000 persons, but there are about one million elderly wanting to live in these homes. One of the solutions is to decentralize the provision of services for the elderly by encouraging community participation in setting up "community welfare centers". A qualified center will receive the subsidy to the amount of over 10 thousand bahts per year. The public social welfare workers will then take turns in providing technical assistance and counseling. The elderly poor are also entitled to receive a welfare grant in the amount of 200 bahts per month. The elderly can then live with the family in the community. The same method and principle can be applied to the disabled people and other disadvantaged people".

In the provision of labor and social welfare services in the provinces, he planned to emulate the administration of the Ministry of Public Health -- namely, all offices which provide labor and social welfare services in the provinces will be put under one command and report directly to the provincial governor with coordination and technical supervision of the office of the permanent secretary. Resistance comes mostly from lower ranking officials who are accustomed to reporting to their respective departments in Bangkok.

The permanent secretary's perception is not shared by one of the interviewees who is one of the 10 public welfare inspectors of the Department of Public Welfare. One of the main functions of this department is to provide assistance to disadvantaged groups such as the disabled, the destitute, the elderly, the hill tribe people, and those affected by disasters. One of the major duties of a public welfare inspector is to supervise, monitor and follow-up the activities in the province on behalf of or as assigned by the director-general. The department was established over 50 years ago and was formerly one of the largest departments within the Ministry of Interior with over 10,000 staff members and the provincial public welfare office in every province. Although one of the departments of the Ministry of Interior, its provincial offices still have to report and be accountable to the department in Bangkok. Like all other departments of other ministries which have provincial offices under the provincial government/administration, a limited extent of decentralization is authorized to the provincial governor. When asked about his view on decentralization, the response given was that if the policy-makers and top administrators want to implement the policy of decentralization by transferring responsibility, authority, control and accountability to the newly established office of the provincial labor and social welfare, solutions on how to reorganize the existing units and deal with existing personnel have to be found. According to this interviewee:

"Decentralization has both potential benefits and problems. It involves men, money and functions. When the Permanent Secretary for Labor and Public Welfare was the Director-General of the Department of Public Welfare, he used to experiment with decentralization by delegating authority to personnel of the provincial public welfare office to the provincial governor. A provincial governor was granted authority to personnel of all positions except the provincial chief public welfare officer. This has created conflicts when the decisions on salary increase, promotion, and transfer of personnel were made. The province has no experience in the recruitment of personnel, which by the nature of public welfare work, requires specific qualifications, skills and aptitude . . . Another aspect, which has to be taken into account when the decentralization of authority is made through the governor to chief of the provincial labor and social welfare office, is the selection of personnel for this position. While officials of the Department of Public Welfare occupy a relatively high level in the position classification (PC) system of public civil service, which had been established over

50 years ago, officials of other departments within the ministry occupy lower PC levels. How can a lower PC level person command or supervise a person with higher PC level? In our Department of Public Welfare, we still have a number of offices in the provinces such as the Tribal Research Institute, Chiangmai, headed by a person with high PC level reporting directly to the director-general in Bangkok. Also a number of units such as the self-help land settlement centers report directly to the concerned division in Bangkok. If the administrative procedures and ways and means to solve various problems as I mentioned above could be found, it is alright to implement the decentralization policy and plan."

Views expressed by a public welfare inspector was, to a certain extent, corroborated by one chief of the provincial labor and social welfare office. According to this official, the objective of setting up the provincial labor and social welfare office in the province is to decentralize authority by having the Ministry of Labor and Social Welfare's representative in the provincial government implementing policy, plans and program on social and labor welfare by coordinating with other agencies. In reality, every labor and social welfare matter has to be submitted through the provincial governor, which causes a great deal of delay, resulting in non-decentralization. Another problem perceived by this official is that it is difficult and problematic for a chief of this office to command and

supervise the work of officers of the old department who sometimes occupy the higher PC levels. He would like to see a post of vice-governor for labor and social welfare instead.

A chief of the provincial labor protection and welfare office was not happy with the prospect of reducing the status of his office to a unit within the provincial labor and social welfare office. He thinks that the present arrangement of decentralizing authority through the provincial governor is satisfactory. He prefers a status quo rather than a new arrangement affecting his current authority and status.

From different perspectives on decentralization of labor and social welfare services, none, except that of the permanent secretary, are concerned with an attempt to improve service delivery to the people.

Health Services

The Ministry of Public Health is the only ministry in the Thai government system where almost all functions for administration and provision of preventive, promotive and curative services in the provinces are technically supervised and coordinated by the office of the permanent secretary through the provincial governor. When interviewed, the permanent secretary stated that insofar as possible and practicable, decentralization has been implemented both at the central and provincial levels. At the central level, transfer of responsibility, authority, control and accountability for appropriate specific functions to all deputy permanent secretaries, department director-generals, health inspector-generals and assistant secretaries has been done. A provincial chief medical officer (PCMO) is granted full authority in the management of health services in the province. A PCMO is also granted authority to coordinate the work of regional offices of all technical departments located in the province. In fact, the

12 health inspector-generals, assisted by 2 assistant permanent secretaries, are in some way considered as the permanent secretary for health services of each region. For the purpose of health administration, Thailand is divided into 12 health regions. Each region covers about 5-8 provinces. Each health inspector-general has authority on all health management functions of the region in which she/he is in charge. One example of decentralization of authority is that the administrative personnel at all levels, from chief of a *tambon* (subdistrict) health center to PCMO and the provincial governor, is given authority to approve the disbursement of extra budgetary funds from 100,000 to 20,000,000 bahts. Similarly, the PCMO and the provincial governor are authorized to manage the budget on procurement of health equipment and supplies.

The permanent secretary's perception on decentralization of health services was corroborated by one of his assistants. This assistant, however, has a slightly different opinion from his supervisor. He considers the assignment of authority to 12 health inspector-generals a delegation of authority, not decentralization. According to this interviewee:

"Our practice of decentralization is to put all health related activities under the supervision of the provincial chief medical officer (PCMO). Ours is different from the Ministry of Education's concept on decentralization. People there want to make each school a juristic body to perform different functions legally. Our method of decentralization is to gradually increase accountability of the PCMO. Such practice has been adopted since 1964. For

example, each hospital is granted authority to manage its extrabudgetary revenue..... In my view, it is rather the delegation or assignment of duties to the health inspector-generals rather than the decentralization of authority. In fact, there is no formal organizational structure at the regional level to implement the functions. The province has been our unit of administration. In my view, to treat a province as a unit of administration, where all health related functions of the Ministry of Public Health must be under the responsibility of a PCMO, is good and should be maintained."

According to two health officers who had been assigned to two regional health centers, the center has no official status with its legally specified duties, responsibilities, budget, and personnel. It is an internal informal structure in the form of a committee called "the Committee for Coordination of Health Development for the Health Region (number)." The committee is comprised by a health inspector-general as the chairperson, with the PCMO of all provinces in the region and the chiefs of all regional technical offices located in the region as members. A PCMO of the province where the committee is located serves as the secretary of the committee. The committee's secretary is assisted by a small secretariat of 4-5 staff members. One of the major objectives of the regional center is to implement specific policies and programs designated or specified by the office of the permanent secretary such as the Health for All. The center is allocated a certain amount of budget, depending on the assignments made. The problem faced by personnel of the regional centers is that while they are working for the regional center, they are still under the administrative supervision of the

PCMO in their respective provinces who decide on their salary increase and promotion. Staff members of the regional center have to be competent administratively and technically to be able to coordinate and be accepted by their colleagues in other health offices.

Decentralization of health services was not perceived to be beneficial by a number of participants at the debate entitled "It is Feasible to Decentralize the Thailand Health System." A professor of economics at one university was of the opinion that is too early to think about decentralization of health services. The first step to take was to educate the people to be aware of their rights as well as responsibilities first. He stated: "It depends on the ability of each community to develop and mobilize resources, especially health human resources because it is extremely difficult to do so even at the national level."

A health expert from the Ministry of Public Health advocated that health service provision should be decentralized to community. Communities should be supported to be able to assume duties and responsibilities. "In my opinion, the services performed by the communities are more economical." The health expert's perception, however, was not shared by an economist from the national planning agency. According to this economist, bottom up planning depends very much on the vision at the local levels which is now lacking. A development plan is nothing more than a combination of projects. If decentralized, the budget, personnel and general management will have no standard. "If planning is left to the local level, we won't have any standard on food and drug."

A journalist specialist in health and environment was of the view that the public sector does not allow participation of private sector resulting in more concentration of activities and power. A health system should be open. According to him, "decentralization of administrative authority is the distribution of power." The

directors of the two communities were of the opinion that despite attempts to decentralize health administrative authority, the system is still not flexible enough to cope with the changing situations. In communities where their hospital are located, while AIDS is endemic, more of the budget is still allocated for family planning and iodine deficiency eradication activities.

Interviews of two directors of the regional offices of non-governmental organizations involved in health and family planning services showed that as far as their organizations are concerned, it is the delegation of duties and responsibilities rather than decentralization that matters. Programs and projects are developed by the central office. The regional office is responsible for program implementation. The regional office is allowed to operate under some restrictions imposed by the central office in all matters, be they related to finance, personnel, or general administration. As far as the two interviewees were concerned, they are satisfied with the present arrangement because with decentralization or none, they are able to work for the benefit of the people.

Education Services

In the period of rapid technological progress, if decentralization of education administration and management is not made, it may not be possible to solve local problems adequately and timely. The view seemed to be shared by those who occupy different positions in the province. For the school administrators, recruitment of personnel and procurement of supplies and equipment done by the central administration have caused them a lot of problems. For the administrators of provincial and district education services, the fact that each level or type of education, such as primary, secondary and vocational, has its own district or provincial commission is a source of confusion and causes a delay in the decision-making. They all concur that in each district and each province, there

should be only one education commission composed of personnel from primary, secondary, vocational, teacher training and non-formal education sectors, including representatives of departments of religious and cultural affairs. For decentralization to be effective and workable, full transfer of authority to the provincial body to administer and manage not only education services but also budget, personnel, and finance must be made. Majority of them support the idea of having the local people or people from private sector to participate in the administration of education services. They are concerned that local people, with low level of education and lacking appropriate experience, will not be vocal and could be easily dominated by the public officials in the commission.

For the high level administrator at the Ministry of Education in Bangkok, each of 14 departments in the Ministry has already decentralized limited authorities to its offices located in the province. Since every department has its own practice and standard, what the ministry is trying to achieve is the unified standard procedures by drafting a bill for decentralization of education services. Each "education unit" will have a "juristic person" having the legal authority to perform all administrative and management functions. Although the bill was approved by the Council of Social Affairs Ministers in May 1995, it still has to be approved by the parliament. The dissolution of the parliament rendered the draft bill null and void. The Ministry of Education has to restart the process. The present government policy state that it will decentralize authority in education to local government units.

Thus, decentralization of education services, as perceived by officials of the Ministry of Education, seems to concentrate on how to make the local education units more independent administratively, rather than how to respond and serve the local people and communities better.

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CHAPTER IV

Indonesia: Setting the Stage for Full Regency Autonomy by 1997

Manasse Malo

The Indonesian government recognizes the need to delegate its authority, powers, and responsibilities to the regions to make management more effective and efficient. Hence, the administrative structure in Indonesia combines centralization, decentralization and deconcentration.

The basis of this syncretism is reflected in various laws. Since independence, five laws have been promulgated for this purpose namely, Law No. 1/1945, Law No. 22/1945, Law No. 1/1957, Law No. 18/1965 and Law No. 5/1974. Based on these laws, 317 autonomous regions have been established with 27 at the first level, 290 at the second level; and 49 municipalities.

The first level (*Tingkat I*) is composed of provinces. The constituent regions form the largest units of autonomous government. The second level (*Tingkat II*) is composed of *kotamadyas* (urban municipalities) and *kabupatens* (regencies). The autonomous regions are managed by elected representative councils (*Dewan Perwakilan Rakyat Daerah*, DPRD). Within a regency, a *kota administratif* (administrative city) may be established. This differs from an urban municipality inasmuch as it has no autonomy and is devoid of a city council. Administrative cities, however, may gain autonomy and become urban municipalities at a later stage.

Indonesia is a unitary state. The office holders or heads of the first two levels of government exercise dual functions. They are responsible for the administration of the local government in overseeing the tasks of the central government through its offices

at the provincial, regency, and *kotamadya* levels. Office holders act as chief executives of the region (*kepala daerah*) and representatives of the central government (*kepala wilayah*) at the same time. They provide leadership in the autonomous regions' affairs, particularly in initiating and implementing regional policies and programs. They are also responsible for managing local government institutions, such as the DPRD (*Dewan Perwakilan Rakyat Daerah* or Regional People Representative Council), Regional Planning Board (*Bappeda*), and the Regional Government Secretariat.

As representatives of the central government, they maintain law and order, and coordinate activities of the central government's field offices, such as the Regional Inspection Office, Regional Capital Investment Coordinating Board, and other vertical agencies (*dinas vertikal*).

Although there is an administrative framework for decentralization in the country, there is much debate concerning the extent of delegation of responsibility and decision-making powers devolved to regencies. The two tier-system has even complicated the structure in the sense that along with autonomous local government structures, central government agencies are also present, in the form of local branches, which carry out various functions and activities.

The complexity of local autonomy could be attributed to the legal arrangements between and among formal structures, the interaction between the national and regional levels, and the requisite skills at various levels.

In recent years, these debates have become heated due to the Presidential Mandate of autonomy of regencies by the year 1997. Initiatives have been taken such as deregulation, giving more responsibilities to regencies. The major constraint is the lack of political will to simplify the two-tier system of government, and eliminate the duplication of functions. The desire of the people for equality and democracy will eventually serve as push factors to the realization of decentralization.

The Historical Base of Decentralization

The dual system of government in Indonesia could be traced to Dutch East Indies Trading Company (VOC). The VOC, as the main authority, provided the governmental and judicial frame for governance. This was explicit in the city of Batavia (now Jakarta). The VOC had its own territory with a castle, court of justice, and jail. For the city, it appointed a bailiff (*baljuw*), who represented the citizens. Both bailiff and alderman, however, were strongly dependent upon and paid by the VOC. The VOC was vested with powers and collected taxes such as abinese head tax and import-export duties, while the city government had smaller sources of income such as the so-called "mud-money" (*moddergeld*).

At the end of VOC's rule in 1798, the authority of the alderman was restricted by Daendels and Raffles. The power of local government institutions was further reduced with the installation of the central government in the Dutch East Indies. As a result of the Indies Constitution of 1854, the administrative system became highly centralized under the so-called "head government" of the Governor General. There were no autonomous regions, only administrative areas. The territory was divided into administrative units, namely: region or residency (*Gewest* or *Resindentie*); division (*afdeling*); under-division (*ouder-afdeling*); district; sub-district, and *desa* in rural areas, and ward (*wijk*) in urban areas.

In 1903, the system of government was changed with the introduction of decentralization measures. The main purpose of this law was to allocate and disburse funds (*afgezonderd bedrag*) from the central source to municipal boards to meet the needs of the territories under their jurisdiction. The funds were augmented by revenues from local taxes.

This process was viewed with distrust by the central colonial administration, since it was a threat to power consolidation. Nonetheless, the local-central government dominated boards developed rapidly into representative bodies with an executive council headed by the mayor in the city. This change occurred as a result of pressures from local leaders and officials who insisted that local issues should be dealt with at the local level instead of being decided by the central authority which was not knowledgeable of the local conditions.

Decentralization and Regional Autonomy of the Social Sector During the Colonial Period

Centralization of power in Indonesia was first introduced by the United East-Indian Company (VOC), which ruled Indonesia in the 17th century. The administrator of the VOC was the Governor General who resided in Batavia, the capital city. To safeguard its trading interests, the VOC expanded its political power by placing a number of territories under its rule, either directly or indirectly. It appointed Dutch officials as regional authorities with the rank of resident. To maintain the company's monopoly on trade, the residents interfered in the administration of the native rulers. The agricultural, trading, and political activities of the natives were redirected toward the cultivation of products demanded by the head office of the company. The residents also interfered in the appointment of native rulers.

On the island of Java, each newly appointed native ruler had to sign a contract with the company, stating that they were recognizing its authority. In West Java, native rulers were given the authority to levy taxes in the company's behalf and force native farmers to plant and cultivate specific crops, which in turn were sold to the company at predetermined prices. Through the introduction of various measures, the VOC was able to control the trading network, protect, and enhance its economic and political interests.

At the end of the 18th century, the company ceased and was replaced by the Netherlands-Indies government. Indonesia became a Dutch colony. During Governor General W.H. Daendels' rule, the regents were made officials of the colonial government, centered in Batavia. The power of Dutch, as well as native authorities to levy taxes and enforce labor, was reduced. Areas of Java outside the Javanese kingdoms were divided into nine administrative regions under the direct rule of the Dutch.

During the British interregnum, Lieutenant Governor Thomas Stamford Raffles converted the administrative regions in Java and Madura (outside the Javanese kingdoms in Yogyakarta and Surakarta) into sixteen prefectures (which later, under Dutch

rule, became the *residencies*) with *bupatis* serving merely as salaried employees of the colonial administration. The *bupatis* were responsible for the cultivation of agricultural lands, as well as the sale of products to the colonial administration. To curb the authority of the *bupatis*, the British created the position of assistant resident, and limited the rights of the *bupatis* to land management and compulsory labor.

Residencies were subdivided into administrative areas called *afdeling*, headed by *bupatis* who were subordinated to the assistant residents. Each *afdeling* was divided further into districts, and each district into subdistricts (*onderdistrict*). Within each subdistrict were villages, each headed by a headman.

When British rule ended (1816), the Dutch authorities made legal arrangements with *Bupatis* and detailed their functions. According to the regulation in 1820, the areas of authority of the *bupatis* were in agriculture, farming, security, irrigation, public health, road maintenance, taxes, and law enforcement. The legal arrangement became the basis for the establishment of seventy (70) *kabupatens* or *afdelings* in Java and Madura (outside the kingdoms in Yogyakarta and Surakarta).

Over time, new policies were introduced related to the constitution of 1855. A significant shift in policy was the introduction of a law on decentralization in 1903.

Decentralization

The Decentralization Law (*Decentralisatiewet*) in 1903 opened possibilities for the development of local government. The law, however, was linked to the principles of the 1854 constitution, which distinguished the administration of the Island of Java from the Outer Islands. Whereas in a number of *gewest* and parts of Java and Madura, decentralization was introduced, in the Outer Island, centralization prevailed.

The development of a system of local government, on a limited scale, brought about changes in relatively developed

kabupaten and municipal governments in Java. In the beginning, the members of the local councils (local *raad*) included members of the civil service, while local administrators in charge of decentralization were usually European members of the Civil Service (*Europesche bestuursambtenaar*). This dualism was seen as a hindrance to the freedom of local administrators to exercise their authority in pursuit of their territory's interests.

To address the problem of dualism, the Government introduced new policies with regard to the appointment of local administrators. Since 1916, for instance, the dualism in municipal government in Java was solved after municipal administrators were no longer recruited from the ranks of the civil service.

An ordinance introduced in 1918 (*Ontvoogdingsordonnantie*) required European or native government authorities to transfer power to local administrators. This policy later became the basis for the decentralization of regencies *kabupatens* in Java and Madura.

A law on government reform (*Wet op de Bestuurshervorming*) adopted in 1922 permitted local municipal governments to exercise authority without interference from the colonial Government. Based on this, a number of *gewests* were merged, and the policy became the basis for the formation of provinces, on principle of decentralization.

Later, an ordinance on the formation of provinces (*Instellingsordinnantie*) was enacted. It delineated the responsibilities of the central and regional governments, wherein regional governments were granted the authority to manage their internal affairs.

The provinces established under the new policy were managed by a provincial council (*provinciale raad*). The members of the council were in part elected and appointed by the Governor General. For operational purposes, the council was given the authority to appoint a council of deputies (*college van gedeputeerden*). A governor was appointed by the Governor General to supervise the provincial council and the council of

deputies. The governor acted as the chairperson of both councils and acted on behalf of the Governor General. The governor was, therefore, an official of the central government.

The constitutional arrangements in the Outer Islands restricted decentralization. On the other hand, large areas outside Java, within which a number of native kingdoms still existed, were provided a form of government based on the principle of deconcentration. In this system, government officials were given authority to exercise control over subordinate territories. In such areas the government appointed European *residents*. Under the *residents* were either heads of *onderafdelings*, *controleur B.B.*, or native assistant *residents*. Moreover, the government created territories headed by a district or subdistrict head in areas where there were traditional leaders. In other places, native deputies of district heads (called *bestuurssassistenten*) governed a territory while in places where the majority of the population were of Arab or Chinese descent, the authority to rule was granted to Chinese or Arab officers or heads (*Chinese/Arabiische officieren, hoofden*).

Apparently, regional governments during the colonial period were ruled by both Europeans and natives. In such areas, however, a dualism in governmental system existed, i.e., local governments with administrative powers and those with political powers or "self-rule". This dualism was rooted in the inability of the central government and its vertical or line departments to finance its offices in the regions. This compelled the national government to authorize local governments to manage their financial and administrative affairs.

The decentralization led to the improvement of local governments services. The reports submitted by a number of *residents* and governors in Java between 1921 and 1940 supported this observation.

Social Sector Decentralization

Decentralization in the social sector was considered as one of the important aspects in Law No. 5/1974. The law defined decentralization as "the delegation of power and authority from

the central or higher level administration to the lower level for the latter to manage its own affairs." In other words, decentralization became a form of interactive process among and between levels of government administration. Moreover, Law No. 5/1975 stated the scope of regional autonomy:

- a. the designation of units with specific boundaries having the right, authority, and responsibility to manage their affairs in the context of national unity, in accordance with the prevailing rules and regulations;
- b. the transfer of autonomy to the regions to realize the people's aspirations, uphold the unity of the nation, and improve people's welfare;
- c. autonomy should be in the form of real and responsive freedom (as substitute to the principle of unlimited autonomy adopted before Law No. 5/1974 was enacted);
- d. decentralization is carried out under the principle of deconcentration and co-ownership; and
- e. the transfer of power is expected to improve the effectiveness and efficiency of regional governments.

Health Services

In the late 40s, the provision of health services was entirely in the hands of the central government. Decentralization of health services began in 1952 with the partial transfer of health responsibilities to the regions. Government regulations issued in 1952 became the guidelines of the regional health offices (*dinas kesehatan daerah*). Heads of these offices were under the regional governments, although their medical staff were responsible not to the regional government, but to the Ministry of Health.

Responsibilities transferred to the regional government were the authority to establish and manage general or special hospitals and clinics; supervise hospitals of other branches of

government or the private sector; provide health services other than those given by central hospitals; purchase medical equipments and supplies; implement public health programs; provide immunization; train lower and middle level paramedics; establish regional health offices; recruit, employ, train, place, and transfer health workers from the Ministry of Health to the provincial or field offices; and receive government funding. Certain functions, such as budgeting, personnel, and formulation of health policy, were performed by the Ministry of Health.

To promote equity, services of regional hospitals and clinics were extended to underprivileged patients. The regional governments viewed this as a burden since most underprivileged patients reside in outlying areas.

Subsequently, Government Regulation No.4, 1984 was enacted, which was concerned with participation in mobilizing funds for preventive health care. The government moved closer toward the decentralization of health services, when Law No. 23, 1994 was adopted, which contained principles on the decentralization of health services.

Support for decentralization of health services is also found in other legislations. Government Regulation No.7, 1987, for instance, transfers certain health functions to first and second levels of regional governments of the country as a whole, unlike in previous regulations whereby transfers were made only to specific regional governments. The regulation further specified the form, organization, and responsibilities of these health services (*dinas kesehatan*) as well as their relation with higher level government health agencies. Health services are headed by health professionals responsible to the regional government, but their authority over their medical staff is not complete as some them are employees of the Ministry of Health assigned to the regional health service. These employees are accountable not to the regional, but to the central government.

Among the responsibilities of the regional government are:
(1) to employ paramedics and medics and request

the Ministry of Health to assign health personnel to the region; (2) provide training to paramedics and medical personnel; and (3) administer health facilities, determine tariffs for health care services, issue permits for the establishment of health care facilities by public or private organizations, and administer fund transfers from the Ministry of Health.

Despite the wide variety of authority and functions devolved, the region has to prove its capability as implementor of policies. The linkage between the center and the region is still uneven with the dominant role of the central government.

Education

The decentralization in the field of education is documented in Law 32, 1947, which authorized the regional governments to establish public schools. The law, however, specified that the power to establish and administer secondary schools was still in the hands of the central government.

The expansion of decentralization in education in the early 50s was based on Law No.4, 1950, which specified that regional governments be given the authority to establish and administer public schools, while private organizations were allowed to set up private schools. The operation of public schools was supervised by regional governments, but teachers and curricula were under the authority of the Ministry of Education, Teaching, and Culture. A number of government regulations issued since 1951 became the basis for the transfer of functions to regional governments.

Law No. 2, 1989 on the National System of Education, was followed by a number of governmental and ministerial regulations and decisions operationalizing the policies. One of the principles was equality in educational opportunity. However, certain policies, such as the centralized entrance examination for public institutions of higher education, placed more emphasis on efficiency than equality.

Although decentralization is considered desirable, in practice, various functions such as curriculum development, entrance examinations for public institutions of higher education, and the accreditation of private institutions of higher education are still centralized. Moreover, functions transferred to regional governments are simply limited to the implementation of policies of the central government.

Social Welfare

The Constitution of 1945 contained a number of pronouncements concerning the provision of services in the field of social welfare. The establishment of the Ministry of Social Affairs in the first cabinet (1945) enabled the government to implement these. The commitment to social welfare is seen from the large number of laws issued since 1946.

Due to the magnitude of the functions, in the early 50s, the government initiated the decentralization of social welfare activities. Law No. 2, 1950, was the basis for the transfer of authority in health, education, and social welfare. Since 1952, the function of social welfare was transferred to a number of provinces especially in the form of either authority, implementation, and supervision (*medebewin*) of service delivery. Transfer of autonomy implies that the province's sole responsibility to support and care for the poor, orphans, and abandoned citizens, with authority to implement and supervise program over children who were previously detained, juvenile delinquents, social deviants, and the homeless. Despite the transfer of responsibilities, the central government maintained a major role in the administration of social welfare services.

Besides the transfer of authority to provincial governments, a number of functions were given to governments of *kabupatens* and municipalities/cities. These included matters related to information, improvement of social conditions, and provision of social support. Guidance and information were provided to beggars and vagabonds; abandoned children; juvenile delinquents; and "social deviants" such as prostitutes (sex workers), drug users, and gamblers. The improvement of the poor's social conditions included analysis of people's problems, upgrading of housing and rural settlements, and reduction of deviant behavior.

Despite the transfer of responsibility to regional governments, the ability of regions to assume this was limited by inadequate financial resources. While regions were given the authority to appoint workers, their transfer still required approval of the Minister for Social Welfare. This also holds whenever employees from the provincial government are transferred to *Kabupaten* and municipal governments.

Although the government is committed to provide a wide array of social services to the people, political instability and funding constraints limited services provision to a small segment of population such as members of the civil service, retired personnel, war victims, widows and orphans of civil servants. Services to other groups were provided by the private sector.

There was also a desire to elicit and mobilize financial support from the community inasmuch as the problems cannot be matched by the available resources. One way of eliciting societal participation is the encouragement of non-governmental organizations to participate in social welfare programs.

The variants of devolution in the social sectors were as follows:

a. Decentralization

The functions of government are fully transferred to the regions. In this case, initiatives are taken at the regional level in policy-making, planning, program implementation and funding.

b. Deconcentration

While the functions are transferred by the central government to the regions, the central government maintains the responsibility for planning, implementation, and funding of programs. The vertical linkages are coordinated by the regional head office (*kepala wilayah*) and supervised by the central government. The policy is drawn by the central government.

c. Co-ownership (partnership)

The central government retains the right to policy decision, planning, and provision of funds.

Experiences of Java and Bali

The process of decentralization in the social sector emanates from the ministry (Ministry of Interior) to the province and regency. This starts with the formation of regions where social functions are transferred, such as education, health and social welfare. Decentralization in the social sectors is realized through the formation of regional offices (*dinas-dinas*), which take responsibility for the social service sector. The regional offices are responsible to their respective regional heads. They cooperate and coordinate with their counterpart regional ministerial offices.

The results of the field study in Java and Bali revealed that there are variations in the process of decentralization in social sector services. This is due to the mixes in the implementation of the principles of decentralization and deconcentration. The nature of vertical linkage between the central (Ministry) and the regional offices (*dinas*) varies from one region to another. In some instances, the two offices may not be supportive of each other at all.

The regional government does not exercise full control of services because certain functions have to be performed in coordination and consultation with other ministries. The problem of sectorial "egoism" emerges in the process of implementing the policy of decentralization. One of the missions of the decentralization pilot project in 26 regencies was based on the Ministry Decree No. 105/1994 implementing Law no. 5/1974. In this case, the *Dinas* exercises responsibility over the local government. All operational functions in the regions are carried out by the *Dinas* under the regional office. Nevertheless, there are still several ministries which do not operate under this scheme, such as the Ministry of Education and Culture. In the execution of the pilot project, some problems emerged which are technical. The following charts illustrate this point in Bali and West Java municipalities as well as regencies.

FIGURE 4.1
Organizational Structure of Decentralization
Indonesia, 1995

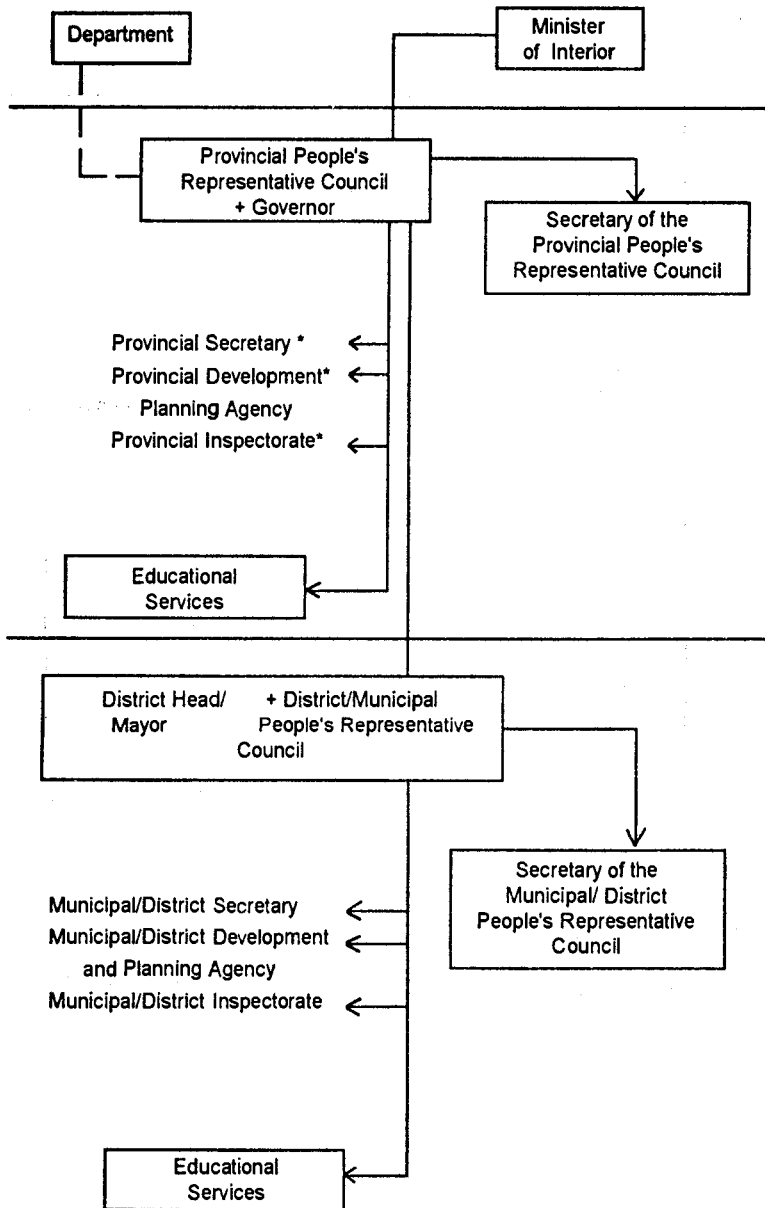


FIGURE 4.2
Organizational Structure of Deconcentration
Indonesia, 1995

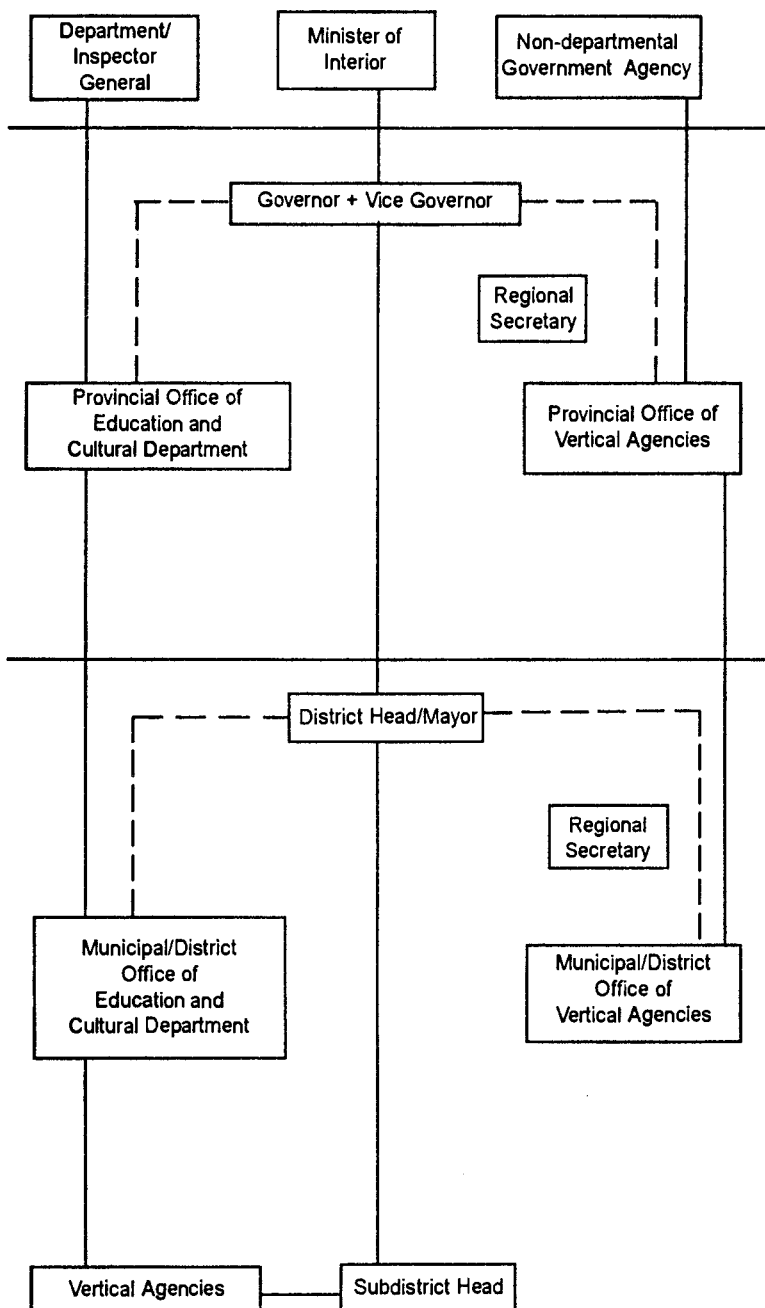


FIGURE 4.3
Organizational Structure of *Medan*
Indonesia, 1995

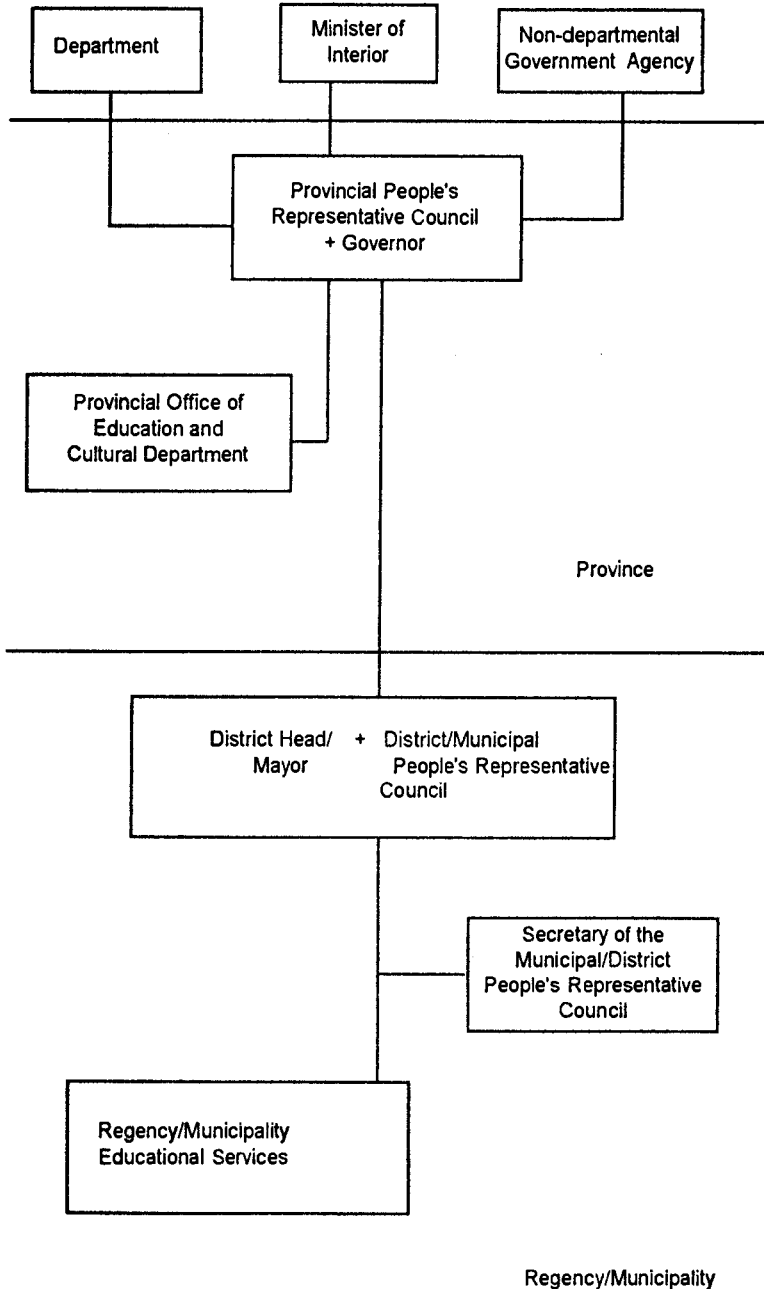


FIGURE 4.4
Variants of Decentralization in Indonesia, 1995

Modalities				
	Tasks	Decentralization	Deconcentration	<i>Medebewin</i>
1	Policy-making - general - technical	Local Government (local)	Central Government (central)	Central/Local (Presidential Instruction)
2	Planning and programming	Provincial, municipalities district development and planning agency	National development and planning agency	National development and planning agency
3.	Implementation	- provincial, district municipality service agency - Other executing agency	- Provincial/ departmental office - Directorate general - Non-departmental government agency	- Regional executing agency
4	Monitoring/ Evaluation	- Provincial inspectorate - General inspectorate - Ministry of Interior - Central development finance control agency - Finance control agency	- Finance control agency - Central development - Departmental general inspectorate	- Finance control agency - Central development finance control agency - Departmental

FIGURE 4.5

**Decentralization Structure of Education
in West Java, Indonesia, 1995**

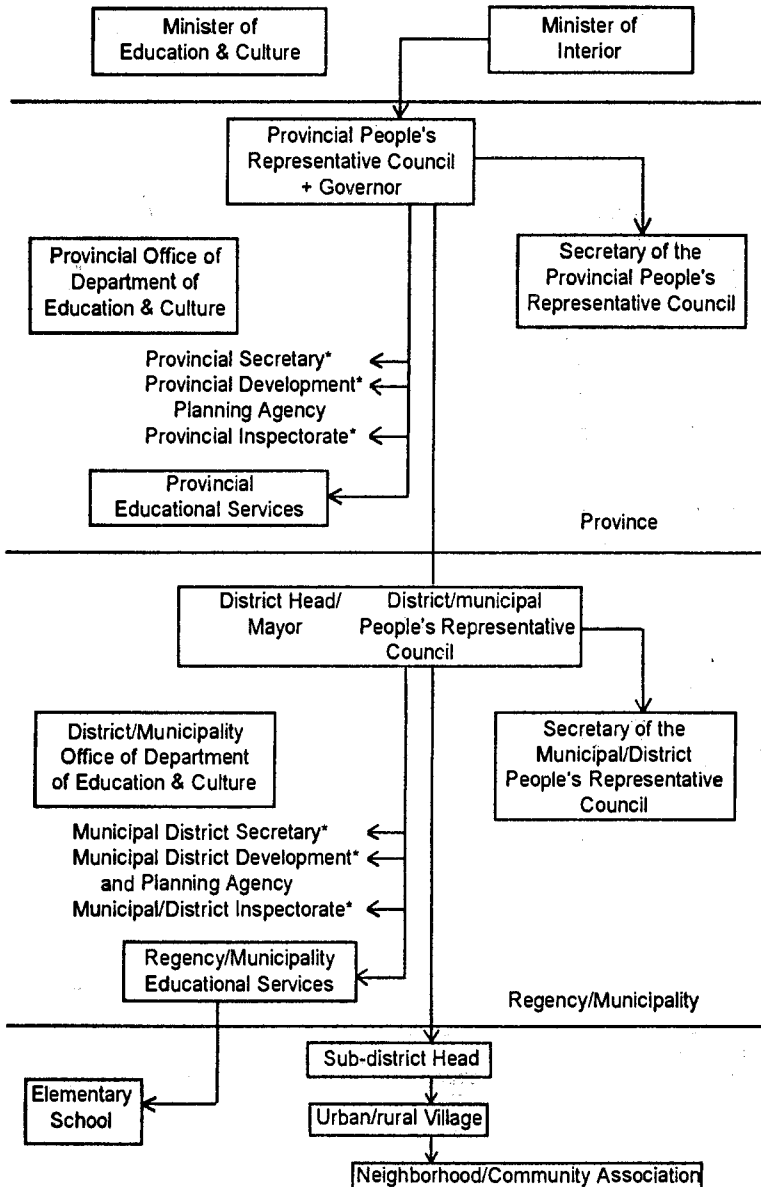


FIGURE 4.6

**Decentralization Structure of Education Programme
in Bali, Indonesia, 1995**

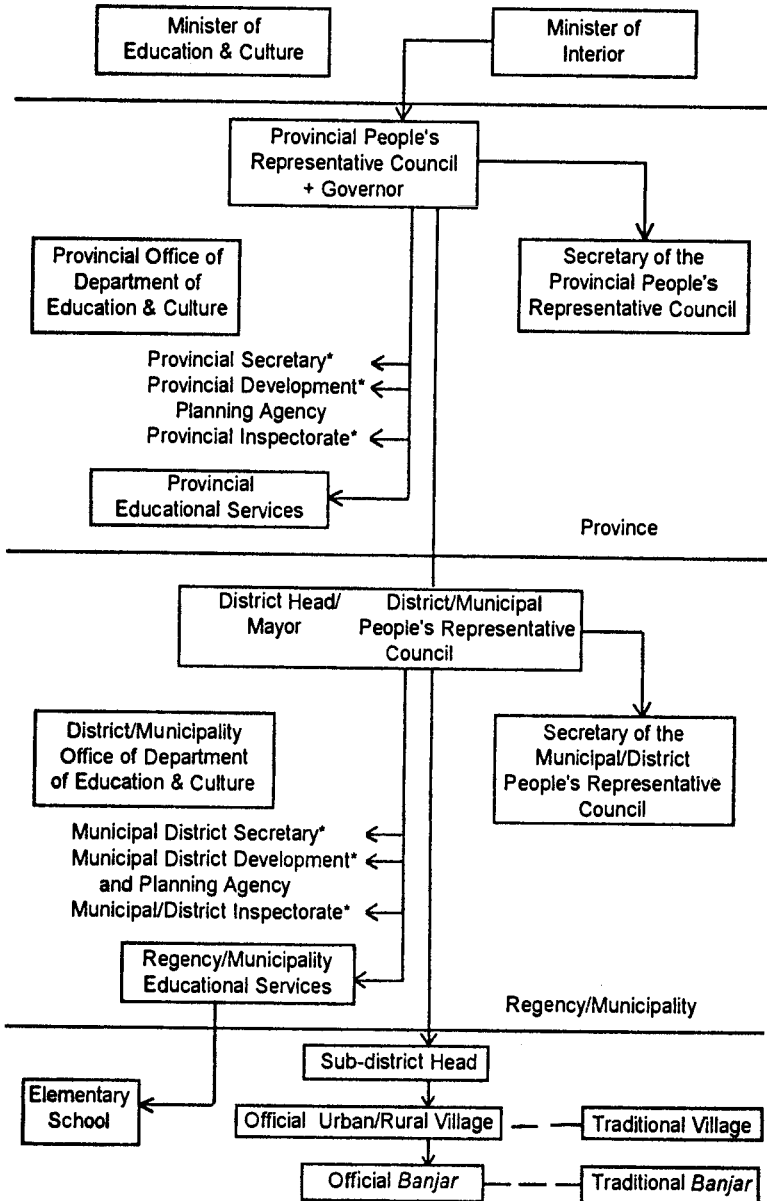


FIGURE 4.7

**Decentralization Structure of Health Programme
in West Java, Indonesia, 1995**

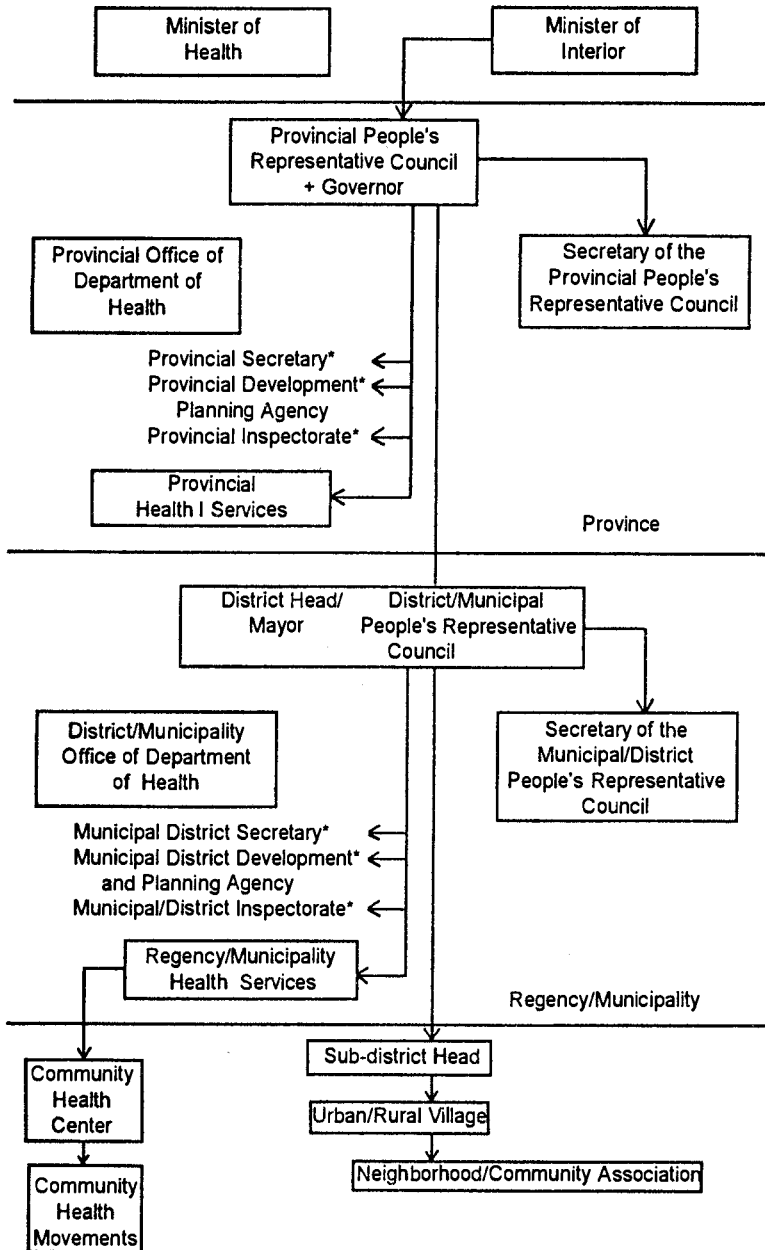


FIGURE 4.8

**Decentralization Structure of Health Programme
in Bali, Indonesia, 1995**

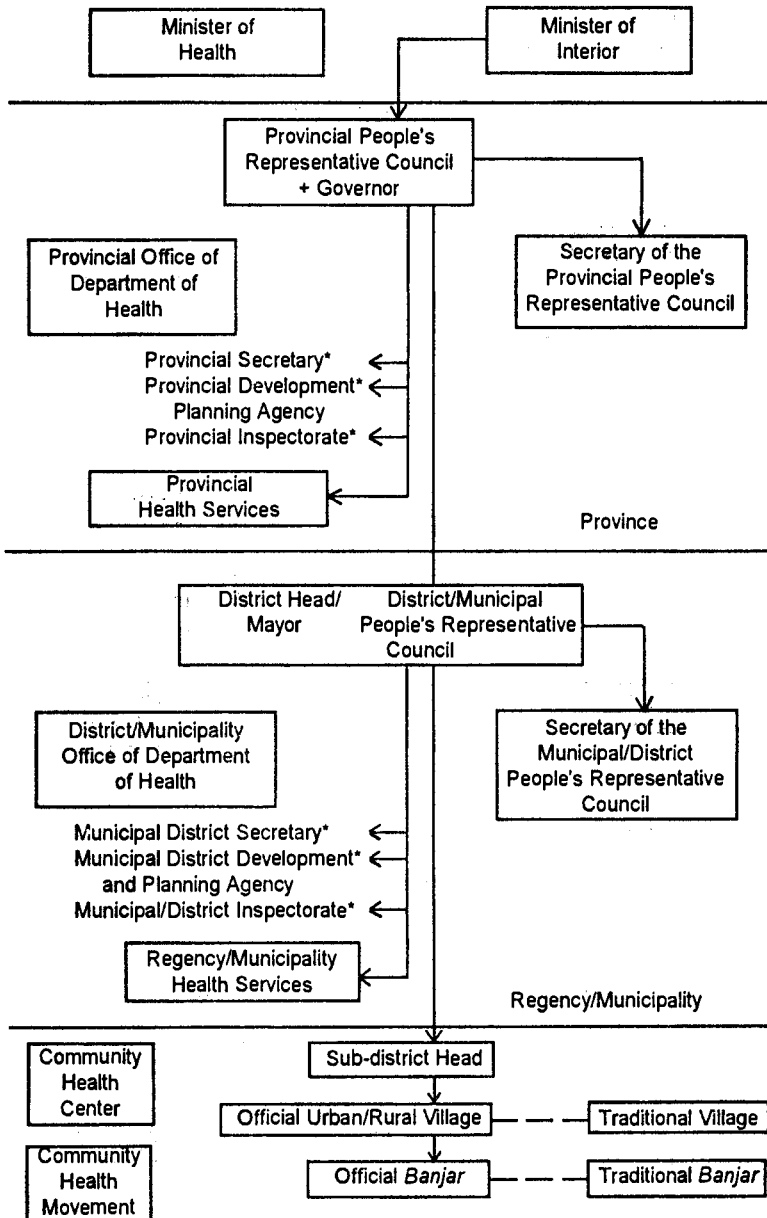


FIGURE 4.9

Decentralization Structure of Social Programme
in West Java, Indonesia, 1995

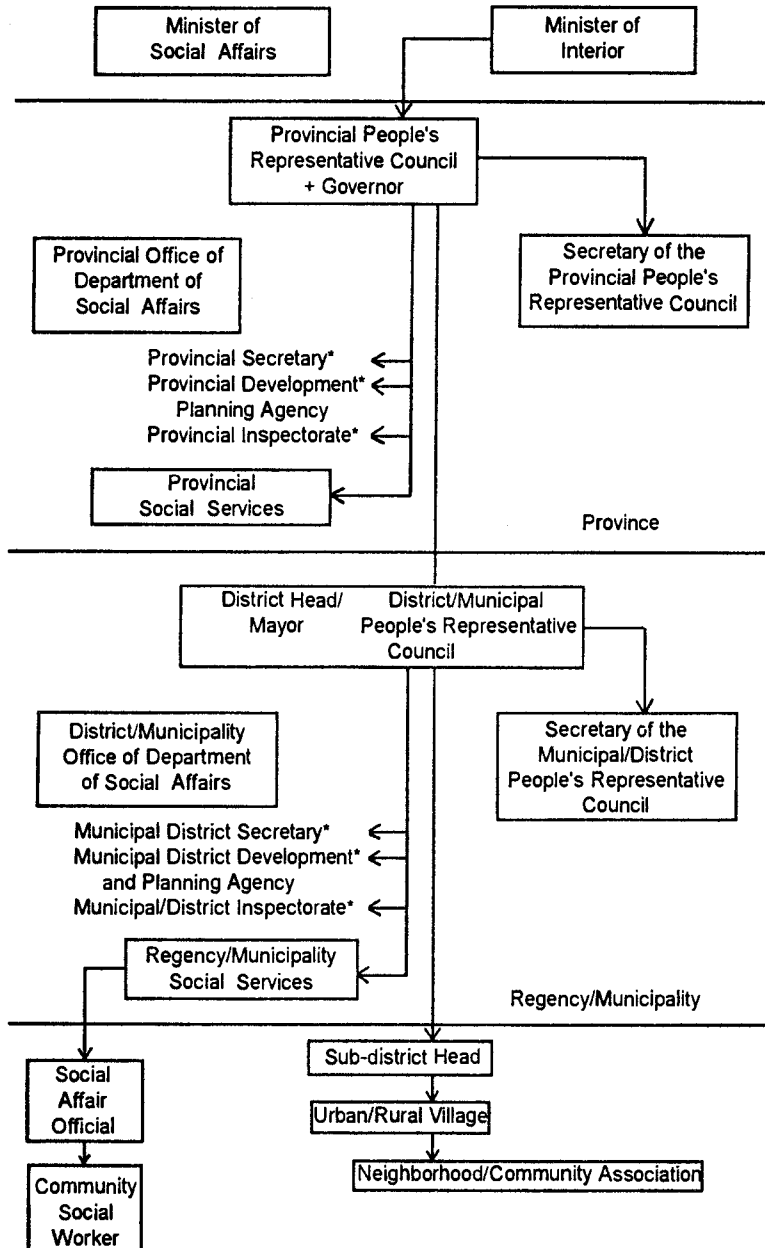


FIGURE 4.10

**Decentralization Structure of Social Programme
in Bali, Indonesia, 1995**

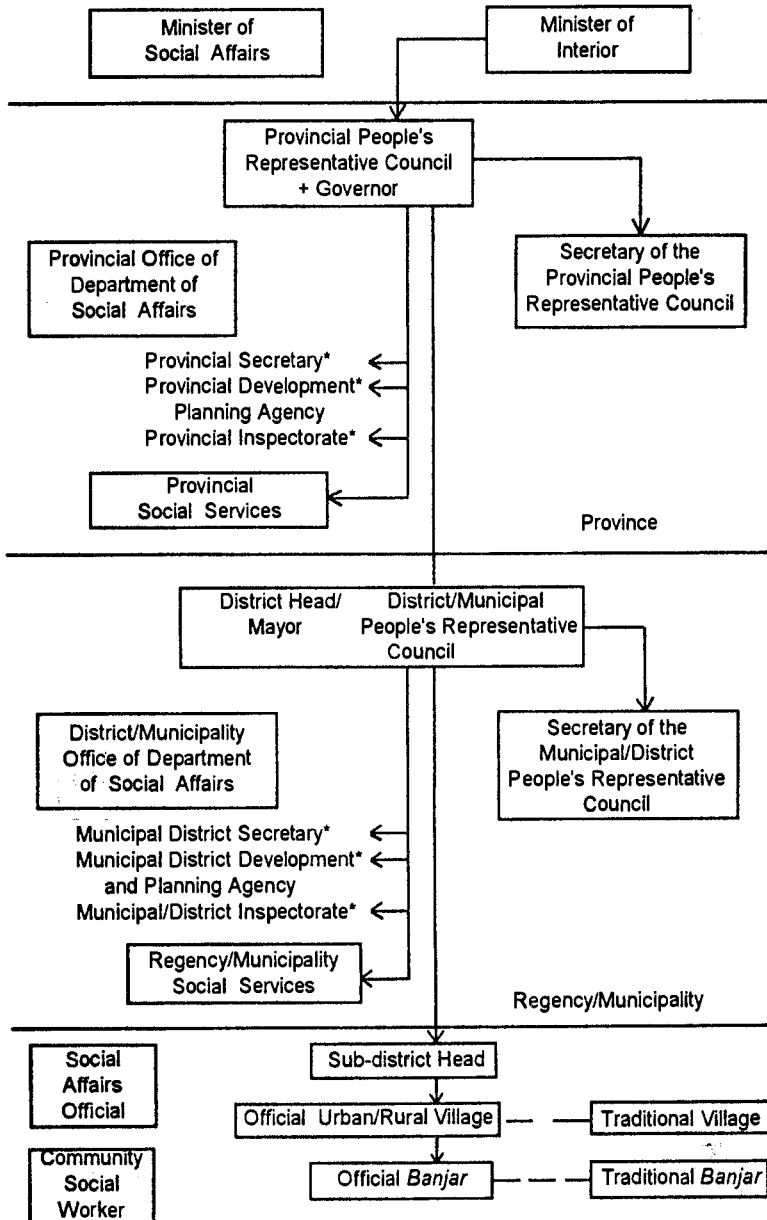


FIGURE 4.11

**Organizational Structure of the
Pilot Project of Decentralization
in West Java, Indonesia, 1995**

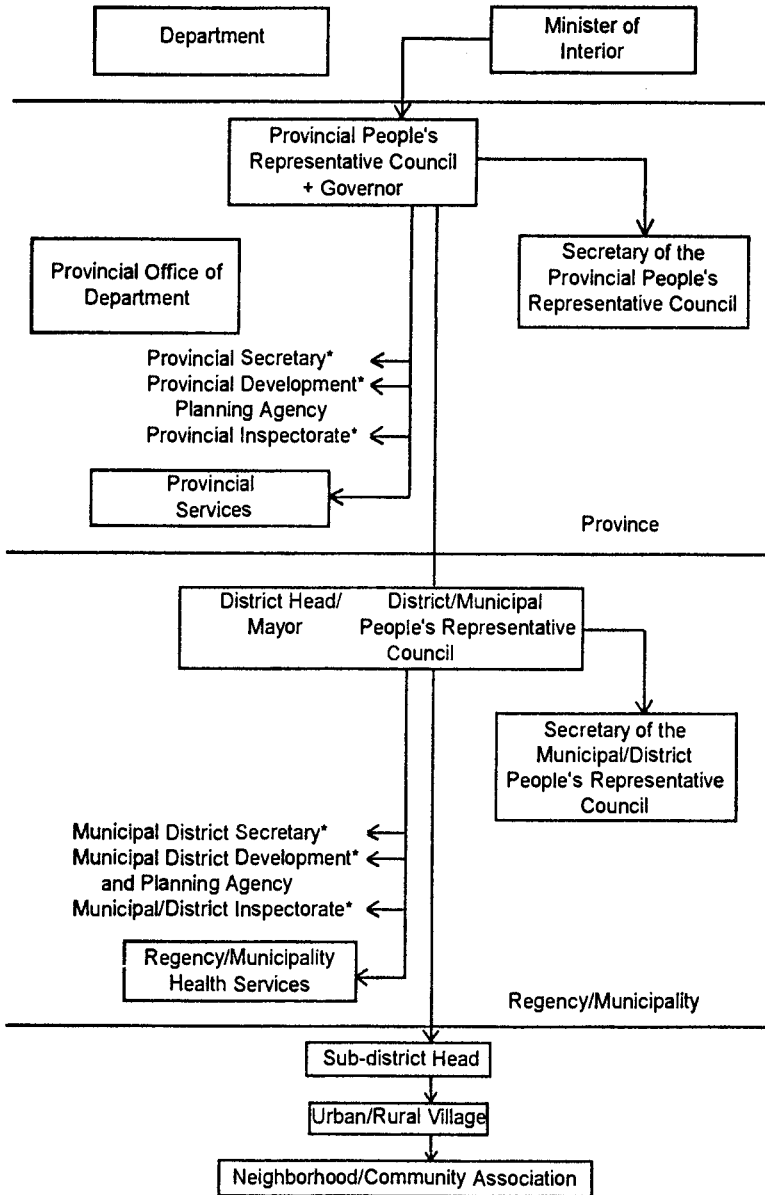
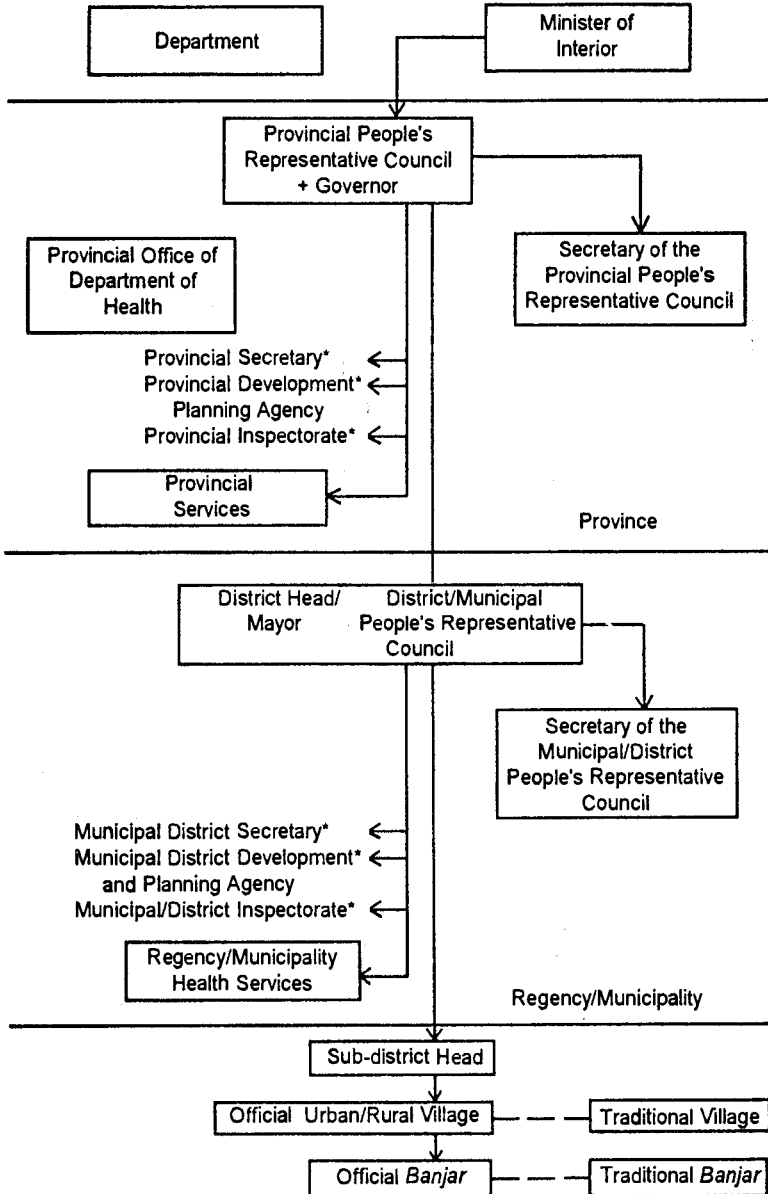


FIGURE 4.12

**Organizational Structure of the
Decentralization Mechanism of Social Programmes
In Bali, Indonesia, 1995**



The concerns with decentralization become important as President Suharto has signed the law regarding the full autonomy of all regencies by 1997.

Differentials in Perceptions of Decentralization

At the Department of Health, delegation of health activities has been viewed differently. These perceptions are related either to decentralization issues or the consequences of such delegation.

There is a perception in Bali that if decentralization is to be implemented in the health sector, all health services should be planned by the department at provincial office (*dinas*) level 2. In addition, decentralization at this sector is perceived to give authority and opportunity to regional offices to develop and conduct health services to the community in its own region. Nevertheless, decentralization is viewed in the context of regional office being part of the central office. Therefore, not all health activities are delegated to the regional office. There are some areas that remain under the jurisdiction of the central government. Concerns remaining under central jurisdiction include the control of diseases, while those delegated to the regional office pertain to preventive and referral services.

This delineation has consequences on the territorial representative office (*kanwil*) and regional office. Health facilities are operated by the provincial health office (*Dinas Kesehatan Daerah*), while prevention and control of diseases are undertaken by the health regency (*Kanwil Kesehatan*). The transition to decentralization is highly dependent on how the provincial health office (*dinas kesehatan*) mobilizes its staff.

As one informant stated, "if this region is to become autonomous, the major source of fund should come from its own income. The provincial and central governments will support the rest".

Another informant stated that, although there is a perception that decentralization is clearly specified according to Law No. 5, 1974 and Government Regulation No. 45, 1992, problems still occur due to limited funds and authority.

In West Java, differences in perception are caused by the terms used in the provincial health office (*Dinas Kesehatan*) and territorial representative health office (*Kanwil Kesehatan*) regarding decentralization. For instance, terms such as PYMT - *Pejabat Yang Menjalankan Tugas* (acting officer on duty) and PGS - *Pegawai Sementara* (temporary officer) raised questions on their roles.

There are also differences in viewpoints regarding the consequences of autonomy. These relate to which tasks are to be transferred by the ministry. Likewise, there is a feeling that placement and empowerment of health personnel need to be devolved. Health personnel placement should be delegated to the regency since it has to exercise authority over the personnel. The transfer of assets is also deemed important. Another concern is the organizational structure. If the department is to be integrated with the provincial office (*Dinas*), the question of responsibility is raised. Will it be the department officer or the provincial officer who will assume the responsibility?

In some cases, the head of the department and provincial office is the same person, such as in Gianyar. In Bandung, the department has the same perception concerning its function, which is to implement the policy that has been decided by the regional office. If decentralization is to be implemented, greater authority should be given to the agencies concerned in planning and execution of tasks in the health sector. Delegation of authority has been perceived important in the management of finances, infrastructure, and personnel.

In the Ministry of Education and Culture, although decentralization has been in effect for about 24 years, there are still differences in perceptions at the regional as well as in central levels.

In 1995, President Soeharto declared April 25 as "Autonomy Day". The Minister of Education and Culture, however, recalled the functions that have been delegated to the regional government. He argued that the low quality of elementary school education is due to the inefficiency of the regional government in

the implementation of national educational policies. In the Ministry of Social Affairs, the implementation of decentralization is rather new. This leads to differential perceptions of roles among the people involved. In West Java, there is the perception that the governor who would direct the region must be appointed by the central government. With this role differentiation, it is possible to specify activities that have central and local scope. Regional offices see that decentralization is simply delegation of responsibility.

In Bali, viewpoints are related to the role of the head of the regency government since decentralization at the regency still needs direction from the provincial and central governments. The success of decentralization is contingent on qualified personnel, infrastructure, and sufficient funding. Without these three elements, decentralization in the social welfare sector would be difficult to realize. Furthermore, decentralization involves the inculcation of social responsibility in the community. The problems are insufficient funding, and lack of clear output. Funding in this sector needs to be generated in as much as its programs have the potential of narrowing social differences.

Priority Setting

Program priority setting in the Health Ministry is undertaken by the local government at the regency level, that is by provincial health office (*dinas kesehatan*). This is based on perceived concerns that need to be addressed such as communicable diseases. Another program is immunization of pregnant mothers and children below 5 years of age. During the National Immunization Week (*Pekan Imunisasi Nasional - PIN*) in September and October 1995, 22 million children below 5 years of age were immunized. Implementation of these programs involves a number of institutions both at the national and international levels. These activities are also integrated with other programs, such as family planning (*keluarga berencana*). Aside from these two programs, importance also is given to environmental health. It should be noted, however, that priority setting is based on the availability of funds and infrastructure.

At the Ministry of Education and Culture, the education sector has been concerned with infrastructure, aside from the

flow of information to the community of the importance of higher education. Priority has also been given to elementary education. The sector promotes compulsory education (*wajib belajar*) at the elementary level for children aged 9. This has been expanded to include the junior high school (SLTP) --- a decision made by the central government.

Moreover, elementary education involves the formulation of package programs for dropouts and those who failed to continue their junior high school (SMP) education. In an attempt to bring education closer to the least privileged, teachers visit the students' home or hold evening classes since most of the dropouts come from rural areas, who work during the day in assisting their parents in the fields.

Following the 9 years compulsory education program, the government opened the junior high school (SMP). In West Java, the provincial government mandated all level 2 local officials in the area to study and list all dropout elementary school children, as well as those who finished elementary education, but did not reach or graduate from junior school (SMP).

Furthermore, in West Java, priorities are given to programs such as human resources development, personnel development in regency offices, staff career development, and advanced education for officers in the regency Social Service office. In Bali, this includes identifying and assisting poor families. In addition, attention is given to the disadvantaged - the homeless, beggars, and prostitutes.

Mechanism and Implementation of Plan

The implementation of decentralized programs in the health sector requires cross sectoral coordination, e.g., Regency Office of Department of Health (*Kandep Kesehatan*), the Provincial Office of Health (*Dinas Kesehatan*), Department of Public Work (*Departemen Pekerjaan Umum*), and Department of Social Affairs (*Departemen Sosial*). In West Java, coordination is done by the regional office (*Regional Regulation*). The Regional Profile's

Representative Council Level II (*DPRD Tk. II*) legitimized the *Peraturan Daerah* for the implementation of program in government institutions. Some activities have been regulated by *Peraturan Daerah*.

The most important area given attention is the coordination between Provincial Health Office (*Dinas Kesehatan*) and Territorial Office of the Department of Health (*Kanwil Departemen Kesehatan*). The governor, as Head of Provincial Territory and Representative of the Central Government, coordinates these two (2) offices since he manages all development activities in the health sector. There is a need to define the echelon in government institutions in specific social sectors. Coordination of duties is carried out through job description in *Kanwil* and *Dinas*. Guidance and control are the duties of *Kanwil*. Operational activities are in the hands of *Dinas*. Decentralized program in health financing is coordinated by the Board of the Regional Development Planning (*BAPPEDA*). All project proposals in health need the approval of *BAPPEDA*.

Decentralized planning mechanism, particularly in the education sector, tends to be top-down. Decentralization of education to Local Government (*Pemda*) can be realized only if the Central Government considers the *Pemda* as technically capable in undertaking decentralized activities. If *Pemda* fails to fulfill its responsibility, the Central Government can simply revoke the powers entrusted to it.

Initially, all projects were chaired by Local Government Level I, namely Head of Territorial Office of Department of Health. Recently, the projects were carried out by the Local Government Level II, such as the Integrated Project for mothers and children, nutrition, and services of *Puskesmas*. The projects financed by *APBD Tk. I* (Provincial Budget) are given to regencies or municipalities, but are still chaired by Provincial Government, e.g. construction of a local hospital project.

Resources are divided into two --- financial and material; and human. The human resource, which is mainly mobilized in various levels of education, is educational personnel (teachers).

In elementary schools (primary level of education), teachers execute Programs of Package A. In junior high schools, in spite of compulsory teaching in public schools, teachers also work in private institutions.

Financial and material resources in elementary schools are drawn from the subsidy provided by the Central Government. For instance, Programs of Packages A and B are financed by the Central Government via the Regional Office of Education and Culture Department. In secondary education, besides the resources contributed by the Central Government, the community as well as the parents participate in the program. In private secondary schools, the Central Government's assistance is minimal with financing private schools, the *Ebtanas* (Final Exam) and cost of accreditation. Although deconcentration applies in the education sector, mobilization of resources of the community is a task of the higher level of education.

Non-governmental organizations in education exist. The open system of education, through the involvement of non-governmental institutions, does not mean that there is autonomy in managing education. The role of non-governmental institutions is recognized in the provision of physical facilities. In curriculum and educational management, rules stipulated by the national educational system have to be followed. Efforts to improve the quality and quantity of human resources are being made by both government and non-governmental institutions. The establishment of the Open University, which provides opportunities for school teachers and public servants to improve their education, is an example of the government's role in the sector of education.

It is clear that the government gives non-governmental institutions the opportunity to participate in education, on the condition that they abide by the rules. Autonomy is based on the needs of each region, specifically in the conduct of training for employable and entrepreneurial skills.

In the health sector, the recruitment of medical doctors in districts, employment of medical specialists for the *Puskesmas*, acquisition of medical equipment, improvement of facilities, and increase in the number of delivery rooms in the hospitals are a few examples of activities under a decentralized set-up. Forms of deregulation in the health sector are the increase in the number of private hospitals and the improvement of the quality of health services offered in government hospitals known as *Rumah Sakit Swadana* (Self-sufficient Hospitals).

In social welfare, several private foundations give support to orphans. Institutions concerned with poverty eradication, and services for the aged, handicapped, vagrants, and prostitutes exist in some regions. This results in egocentrism which weakens the provision of services to the public, because each sector feels that only through their structure will services be most effectively delivered.

Bureaucratic Culture

A feature of the Indonesian government administration is the **paternalistic bureaucratic culture**. This illustrates the relationship between upper echelon and its subordinates; between managers and lower employees; or even between co-workers. It fosters the patron-client relationship. The bureaucratic model is manifested in day-to-day communications, behavioral patterns, use of language, and problem-solving.

Achievement indicators

Not much can be mentioned about the achievements of the decentralization program. However, based on the planning and implementation of decentralized programs which have been carried out for some time, a number of indicators are proposed to indicate the extent of progress achieved. For the three sectors, the indicators include:

- a. the number and type of tasks which have been turned over by the first level authority to the second level;
- b. the number and type of regulations issued by the first and the second levels of authority in accelerating regional autonomy;

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- c. the type and distribution of infrastructures (education, health, and social welfare) in villages as well as the scope of programs in priority areas;
 - d. the level of participation of the community and NGOs;
 - e. the level of achievement of each program implemented, based on pre-determined plans, e.g., input-output, congruence, and the dynamics of the implementors of the program; and
 - f. the level of inter- and intra-institutional coordination.

More specifically, the achievement indicators in the educational sector are reflected in the number of literates, pupils who attend schools, and graduates who were eventually employed. In the health sector, the achievement indicators would be the improvement in the health condition of the people, life expectancy, rate of infant and maternal mortality, increase of community participation, the provision of health facilities, and other infrastructures. The achievements in the social welfare sector are seen in the improvement of the quality of manpower for social services, distribution of manpower to villages, increase in community participation, degree of community self-sufficiency, creativity in efforts to cope with social problems, decrease in the number of poor people and number of underdeveloped villages, as well as the degree of community solidarity/awareness.

Glossary

1. MENTERI DALAM NEGERI	:	MINISTER OF HOME AFFAIRS
2. GUBERNUR	:	HEAD OF PROVINCE
3. BUPATI	:	HEAD OF REGENCY
4. WALIKOTA	:	HEAD OF MUNICIPALITY (MAYOR)
5. CAMAT	:	HEAD OF A DISTRICT
6. KEPALA DESA	:	HEAD OF A VILLAGE
7. LURAH	:	HEAD OF A SUBDISTRICT
8. SETWILDA	:	SECRETARY OFFICE OF GOVERNOR
9. SETWIL	:	SECRETARY OFFICE OF REGENCY
8. DEPARTEMEN	:	RELATED MINISTRY
9. KANWIL	:	RELATED MINISTRY GOVERNMENT OFFICE IN THE REGION
10. KANDEP	:	RELATED MINISTRY OFFICE IN THE REGENCY
11. DINAS	:	FUNCTIONAL UNIT OF LOCAL GOVERNMENT IN RELATION TO IMPLEMENTATION OF PROGRAMME OF RELATED MINISTRY.
12. DPR	:	PARLIAMENT FOR CENTRAL GOVERNMENT AFFAIRS
13. DPRD	:	PARLIAMENT FOR LOCAL GOVERNMENT AFFAIRS
14. BAPPENAS	:	NATIONAL PLANNING BUREAU
15. BAPPEDA	:	LOCAL PLANNING BUREAU

16. PUSKESMAS	:	PUBLIC HEALTH CENTER
17. INPRESS	:	PRESIDENTIAL INSTRUCTION
18. SD	:	ELEMENTARY SCHOOL
19. SMP	:	JUNIOR HIGH SCHOOL
20. SMA	:	SENIOR HIGH SCHOOL
21. ITJEN	:	MONITORING OFFICE OF CENTRAL GOVERNMENT PROJECT
22. ITWILPROP	:	MONITORING OFFICE FOR PROVINCIAL PROJECT
23. BPKP	:	MONITORING BUREAU OF GOVERNMENTAL FINANCE
24. BAPEKA	:	BUREAU OF FINANCIAL MONITORING
25. LPND	:	NON-DEPARTMENTAL GOVERNMENT OFFICE
26. DEPDIBUD	:	DEPARTMENT OF CULTURE AND EDUCATION.

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CHAPTER V

Vietnam: Decentralization Through People's Councils, Committees, and Social Organizations

Project Team

1. Bui Gia Thinh, Country Coordinator
2. Vo Tan Quang
3. Nguyen Thanh Binh
4. Ta Dang Tuyen

Vietnam has a total land area of 331,700 sq. kms., consisting mainly of mountain ranges and forest lands. As of 1990, the country was inhabited by 72 million people who belong to 53 ethnic groups, with the "kinh" comprising the majority. Vietnam's economy is based on agriculture, with the industrial sector gradually being developed. In the attempt to accelerate its socio-economic development, the country has adopted an open-door policy and shifted towards a market-oriented economy following the lines of globalization. Towards this end, seven geographical economic growth poles were identified where socio-economic development is to be pursued, namely: the midland and highland; the Red River delta; the former zone 4; the Central coast; high plateau; the Eastern Nam Bo; and the Mekong River delta.

The strong linkage between the central and local levels characterizes the Vietnamese administrative structure. There has been official support for local level autonomy in consonance with the goals of "improving the quality of life and social equity of the people". The 7th Party Congress reiterated the need to:

"strengthen the government centers for macro-economic plans by broadening the scope of responsibility and power at the local levels."

The close relationship between the people and state is reaffirmed and reiterated in the fourfold laws embodied in the tenets of the People's Council and People's Committee, stated as follows:

Chapter I: General Provisions

Article 1: The People's Council is the State's organ of power in the locality which represents the will, aspirations, and rights of the people. The members are directly elected by the people and are responsible to the population and to the upper level of the political organization.

Article 2: The People's Council is subject to the surveillance and guidance of the National Assembly Standing Committee and maintains close ties with the Fatherland Front and the various mass organizations. It is also subject to the monitoring of the local population, and encourages the public to join the State in carrying out the various socio-economic activities.

Article 3: The People's Committee is an executive body of the People's Council, a State administrative organ in the locality. It is responsible for implementing the terms of the Constitution, the laws and State official documents issued by the upper levels as well as resolutions of the People's Council.

Article 4: The People's Council and the People's Committee are organized in accordance with the principles of democratic centralism, ensuring that the locality is administered within the Mandate of the Constitution, law, and official documents of the state. It is responsible for stemming bureaucracy, arrogance, corruption, abuse of power, irresponsibility, and other negative tendencies of public servants holding official positions in the State and localities.

Chapter 2: The tasks and power of the People's Council at different hierarchical levels:

Article 9: With regard to culture, social concerns and daily life, the People's Council is tasked to:

- 1) Issue resolutions related to the development of education, culture, fine arts, physical education and sports, protection, care and education of children, public health, protection and care (especially of the elderly, mother, and child); promotion of civilization, preservation of national traditions, reduction of social ills and maintenance of cultural life in the locality concerned.

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- 2) Issue policies and guidelines for job creation, improvement of the conditions of workers in the localities, raising the living standard, elimination of hunger, and alleviation of poverty.
 - 3) Implement the policy on population and family planning.
 - 4) Social insurance, social relief, provision of care and assistance to the wounded and invalids, the martyr's family, those that have contributed to the Revolution.

Chapter 3: The People's Committee

Section 1: Tasks and powers of the People's Committee

Article 30: The People's Committee at different levels will undertake the tasks specified in Article 124 of the 1992 Constitution in accordance with the devolution mandate of the Government, and will ensure uniformity in management from the central to the grass roots level.

Article 32:

- 1) The People's Committee will operationalize the program of agriculture, forestry, production, culture, education, health, physical education and sports, and sanitation.
- 2) The People's Committee will carry out the management of economic, political, social organizations.
- 3) The People's Committee will carry out the state policy on public safety.

The structures involved are the local administration, social organizations, and other organizations of various sectors including non-government organizations.

The document of the 7th Party Congress explicitly states the decentralization mandate:

"To continue to reform the State apparatus based on the guidelines of the principle that the State is of the people, from the people, and for the people. The State administers through a clear structure where power is distributed."

"To redefine the functions and tasks of the provincial, district, and commune levels, to specify the organization at each level, and give prominence to the initiative and responsibility of the locality."

Decentralization Goals, Philosophical Base, and Historical Trends

Goals of decentralization. The approach to decentralization in the social sectors adopted by Vietnam is not to differentiate, but rather harmonize the task of the central and local levels, the state and people.

The 1992 Constitution of Vietnam has the following pronouncements:

Article 3: The State ensures people's right to their future, and build a strong, prosperous nation achieving equity, happiness, and development.

Article 6: The National Assembly and People's Council are the structures representing people's will and aspirations.

Article 8: The State organs, cadres and public servants are responsible to the people by serving them, maintaining close links with them, and responding to their needs.

Article 9: The Fatherland Front and its constituent organizations serve as the political base for the people's power. The Front promotes the tradition of unity and consolidation of the people's power.

The Confucian philosophy serves as the ideological basis of society.

Education

The colonist policy from 1884 to 1945 on education was to keep the population in obscurity to rule them. The colonialist schools were involved in training lackeys to serve the regime. Feudal schools were closed immediately after the last examination in 1919. The colonialists at that time banned Vietnamese students from acquiring education either abroad or in the country.

The patriotic education mainstream ranged from the pro-monarchic movement (called the "Can Vuong") to contributions made by patriotic scholars, intellectuals, and classes during the Reform movement (with Phan Chu Trinh) and the "Dong Kinh Nghia Thuc." From 1930 onwards, under the leadership of various revolutionary organizations, the Youth Union demanded the democratization of the schools. In the period of the "Democratic Front" there were demands for "School for All", "Learn to Read and Write Vietnamese", and "Fight Illiteracy" while the Viet Minh Front stood for "Building a National Education" and came out with the Cultural Programme in 1943 — a manifesto on a new education scheme.

Health care services, provided by provincial and city hospitals, were limited to public servants. The majority of the population, particularly in rural areas, had to seek their own medical treatment from traditional practitioners, and other popular modes.

During the colonial period, there was no perceived social welfare program. Poverty and starvation led to social ills. Rulers encouraged alcoholism, opium smoking, gambling, prostitution, and other activities. There were charitable homes for beggars.

It was the mutual aid that overcame natural disasters and stemmed epidemics. This was evidenced during the great famine in 1945 which claimed some 2 million lives. Mutual assistance and provision of relief goods were the basic tenets of the people.

The 1945 August Revolution and Beyond

The earliest goals posited by the Viet Nam Democratic Republic were "to fight starvation, illiteracy, and aggression." As early as 1946, the people manifested their resistance against the French. At the same period, democratic reforms in social sectors were instituted at the local level.

In August 1945, the Revolution succeeded, and in the following month President Ho Chi Minh issued a statement calling for the elimination of illiteracy because "an ignorant nation is a weak nation," and considered it an urgent task to educate all people and raise their intellectual capacity.

The decentralization spirit was reflected in the "call for elimination of illiteracy":

"The Government gave one year for each Vietnamese to learn the Vietnamese national language. It established a Department of Popular Education in charge of public education. Those who were educated were mandated to give a hand to the literacy movement."

The first educational reform took place in 1950 during the resistance against colonialism, which concretized the principle of preserving the national, scientific, and popular legacy and to a certain extent, underscored the role of the State and people's involvement in education.

The second educational reform took place in 1956 at the height of the resistance, when a unified management in education programs was effected after the northern part of Vietnam was liberated. In addition, education served two strategic goals: building North Vietnam and national reunification. When the war spread to the whole of Vietnam, uniformity in the delivery of education services was marred by the creation of varied zones: free, occupied, liberated, and contested. It was the local state and population that managed the education programs.

When peace was restored in 1975 and the country was unified, the central management re-designed an educational strategy for the nation. Nevertheless, the people assumed greater and more significant roles in translating the national strategy to concrete outputs. Their understanding and knowledge of the conditions at the village level rendered the implementation of educational strategies flexible, dynamic, and appropriate.

The third education reform was launched in 1979 and in 1986, the "renovation" of the whole country was instituted. The new mechanism, with its various dimensions toward a market-oriented economy, incorporated educational management in its plans. Eventually, educational management was devolved to different levels of administration.

Health

After the August 1945 Revolution and during the period of Resistance, health services in Vietnam were dispersed and the people relied on their own initiative and resources.

After the restoration of peace in 1954, the State took over in the development of the health services system. The health services budget was partly provided by the central level (mostly consisting of drugs) and partly by the cooperatives.

The two major health policies that reflect the decentralization theme are the reorganization of health care system and health protection of the people. The health sector has been achieving positive results in the implementation of policies. Likewise, it has been reviewing the lessons drawn from localities to enhance its effectiveness.

Social Welfare

With centrally-planned management, the state ensured that every citizen receives welfare benefits. Other social welfare concerns were elimination of hunger; alleviation of poverty; employment; and provision of social insurance for the children, the elderly, retirees, disabled, wounded, invalids, and martyrs' families.

Towards the elimination of hunger and alleviation of poverty, certain localities have taken the initiative of developing programmes, or shifting from "altruistic mutual aid" and "care for others."

The social development goals for a better quality of life are achieved through tuition fees subsidy and contribution to the cost of training of employers.⁵ The State has a policy of providing schooling to the needy and the social welfare target groups.

The documents of the 4th Party Plenum underscored decentralization as it affirmed that: "It is necessary to consider investment in education as one of the main thrusts of development. Conditions for educational development must be created to meet socio-economic goals."

The goals of decentralization are a unified management program with inter-sectoral support and coordination, from the central to the local levels, as well as ensuring that the entire population has access to education.

The same is true with social welfare. Decentralization is carried out through programs geared to eliminate hunger and alleviate poverty through local initiative and creativeness. Local administration at different levels is encouraged to be independent rather than rely on the central government in evolving effective options to address local problems.

The decentralization goals operationalized the policies and programs for social welfare as mentioned by the 7th Party Congress Resolution: "Providing jobs is the responsibility of all sectors, all administrative levels, all units in all different economic components, of each family, each individual, economic units, and of the entire population."

Health

Decentralization in health operation encompasses management, technical competence, and health services delivery.

It emphasizes the responsibility of the local State, particularly the grass roots health workers, as they are the first contact of target groups.

Decentralization in Social Sector Programs

Education

The distribution of power to different administrative levels has been contained in the "Regulations" in organizing and operations of the Ministry of Education⁸ and in the Ordinance of the Government No. 29/CP⁹

Apart from the eight target programs of the Ministry of Education, there are additions at the different levels which are narrower in scope and more adapted to local conditions.

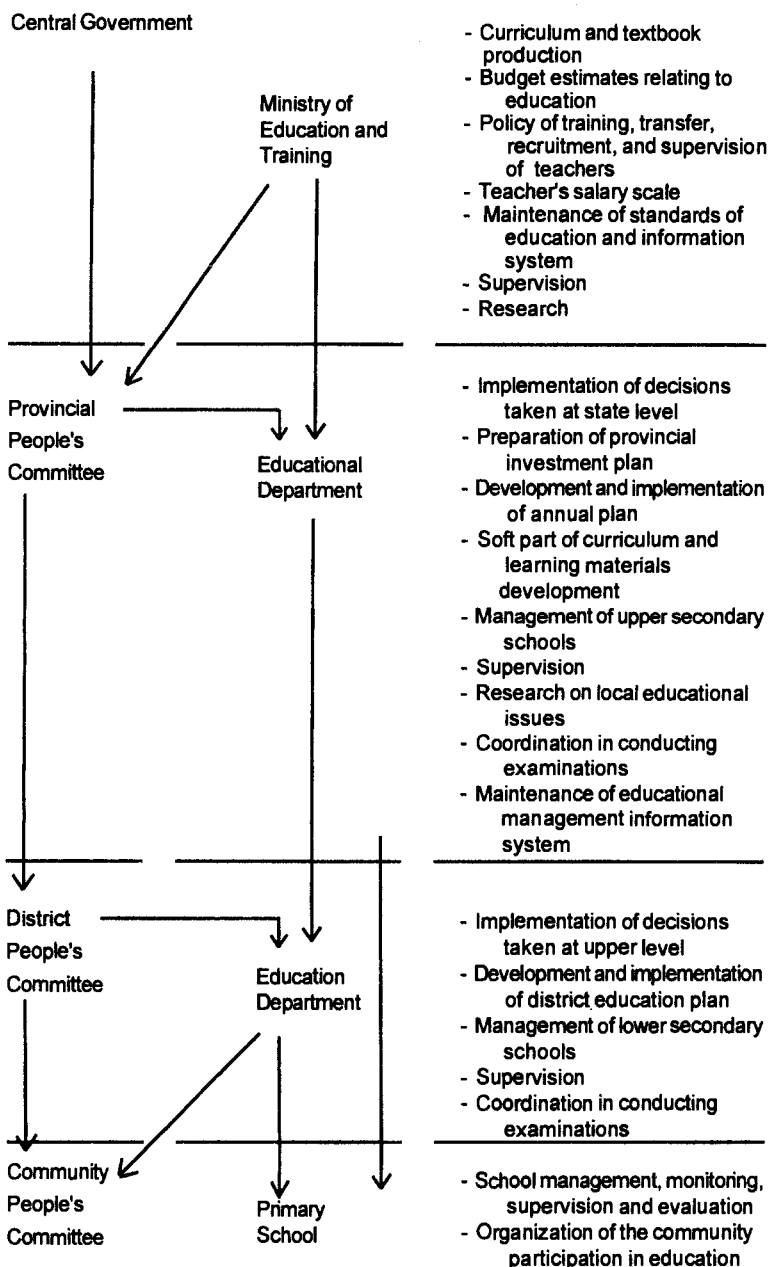
- * The Ministry of Education and Training supervises provinces and cities, districts as well as the grass roots communities in undertaking the planning, organization, personnel, finance, monitoring and inspection of educational programs.
- * The education development planning reflects the needs of the semi-public schools and community-run and private-run schools and adopts a mechanism linking training with placement or employment.
- * It ensures self-reliance and independence at the grass roots.
- * It provides refresher courses to management cadres at different levels, issues regulations, plans, and programs; and raises the budgetary allotment to education and training.....¹⁰

The organizational set-up of education clearly indicates the relationship between the various levels of State management—from the central to provincial/city, district and commune levels. The Administrative management system, from the Ministry to Provincial/City, District Department of Education and Training, delineates responsibility and power at different levels. The vertical and horizontal relationships reflect the management by sector in localities and territories.

The Ministry of Education issues strategies and guidelines on the development of the entire educational structure as well as direction for implementation of policies; designs a unified educational system for the country; identifies a unified programme and its contents; establishes national teaching methodologies; examination procedures; periodical class examinations; and achievement evaluation.

FIGURE 5.1

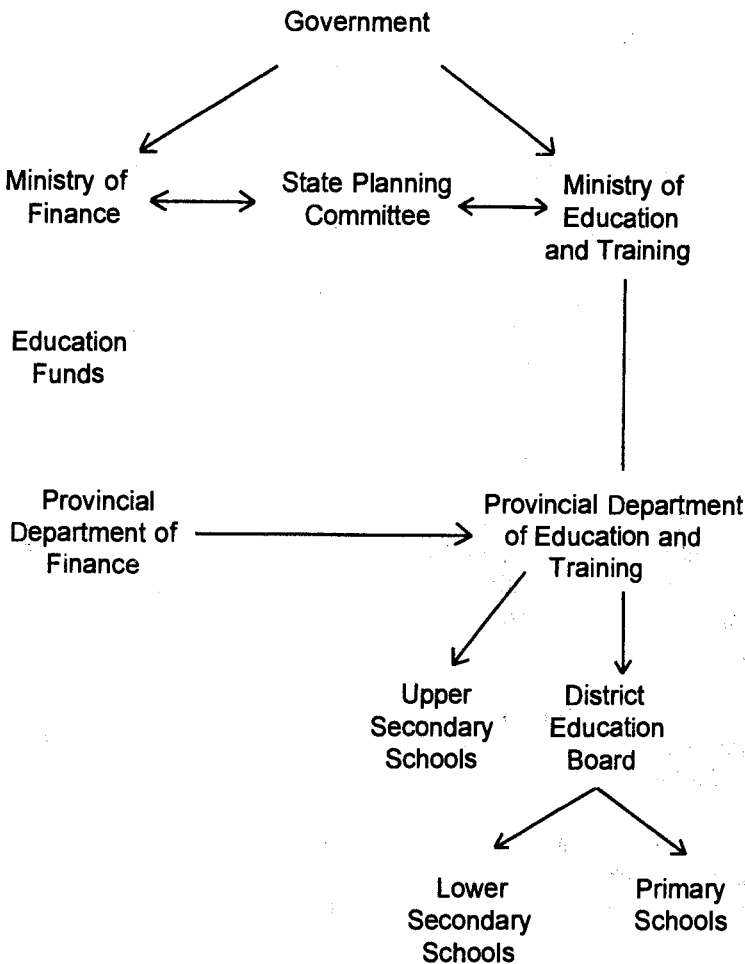
The Educational Management System in Vietnam, 1995



The provincial/city Education Department oversees education in the province/city or district; directs operations in the locality; and concretizes educational guidelines and implementation programs, including inspection and assistance to schools to attain their training goals and plans.

The "Flows for Funds of Education" is a revised budgetary management of the education sector.

FIGURE 5.2
FLOW OF FUNDS FOR EDUCATION



The central government formulates educational policies relative to budget, literacy qualification, and book requirements. The provincial/city and district Departments of Education and Training, under the management of the People's Committee, undertakes the planning and development of literacy plans for their locality, including the establishment of plans and targets for staff, and mobilization of the population based on the features of locality and the circumstances of the different target groups. The Ministry indicated that primary education covers different durations: 165-weeks and 100-weeks. It has the following policies and measures for UPE (Universal Primary Education):

- * To develop the 5-year-old- kindergarten class aimed at preparing the child to enter the Grade 1 level;
- * To re-enroll all children aged 6-14 years, in UPE, including those who have never been to school and dropouts;
- * To prevent class repetition and drop-outs;
- * To develop all forms of learning such as alternative education classes for special target groups, open community classes in the highlands and remote areas; and
- * To increase budget for salary of the teaching staff.

On the basis of such policies and measures, localities have built self-reliance, independence, and creativeness based on the conditions in their localities. UPE ensures class participation, uses different forms of learning, and intensifies refresher training for teachers.

In some places, small-scale projects were developed. In other places, as conditions permit, the locality has worked out a plan for lower secondary education.

As a result, 35 of 53 (66.0%) provinces/cities, 157 of 450 districts (34.9%), and 3,700 of 50,000 (7.4%) communes have met the goals of universal primary education.

The central ministry is responsible for the unified management of the entire education sector. It identifies horizontal relationships and promulgates resolutions and circulars that serve as the basis for implementing educational policies at the lower levels.

The provincial/city Education and Training Department makes concrete decisions, issues resolutions, develops policies, programs, projects, and plans; oversees structures; and acquires facilities deemed appropriate. In remote areas, multi-grade classes, alternative education, and boarding schools are established. The language, content, and methods of education are geared to meet local needs. For the province, specific programs and projects are developed and geared towards the employment needs.

The school can initiate, develop, and implement training programs on the basis of guidelines provided by the management; develop an appropriate time table with due consideration to the production calendar (e.g., harvest season, transplanting period in the countryside), and solicit support from the local administration, mass organizations, economic units, and the parents.

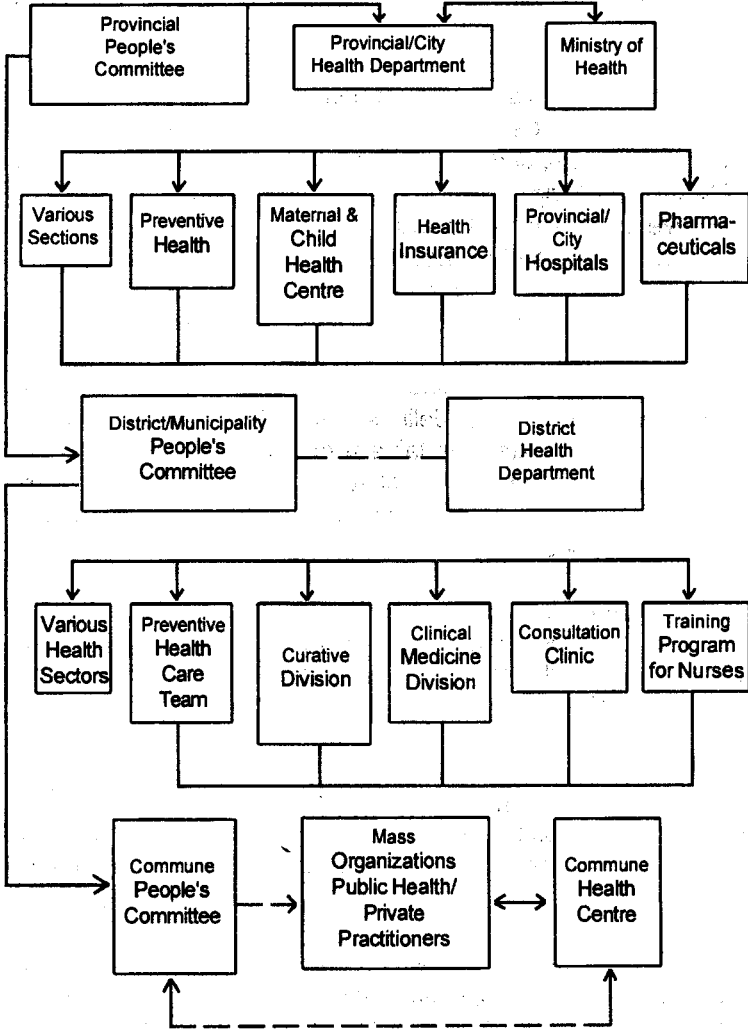
The school places cadres and teachers in jobs which fit their qualifications. Together with the administration, mass organizations, and parents, the school is responsible for the maintenance of teachers' prestige, professional status, security, and spiritual development.

Since the budget management has been transferred to the educational sector, the school has control over finances, and disburses funds in conformity with established rules, regulations, and procedures.

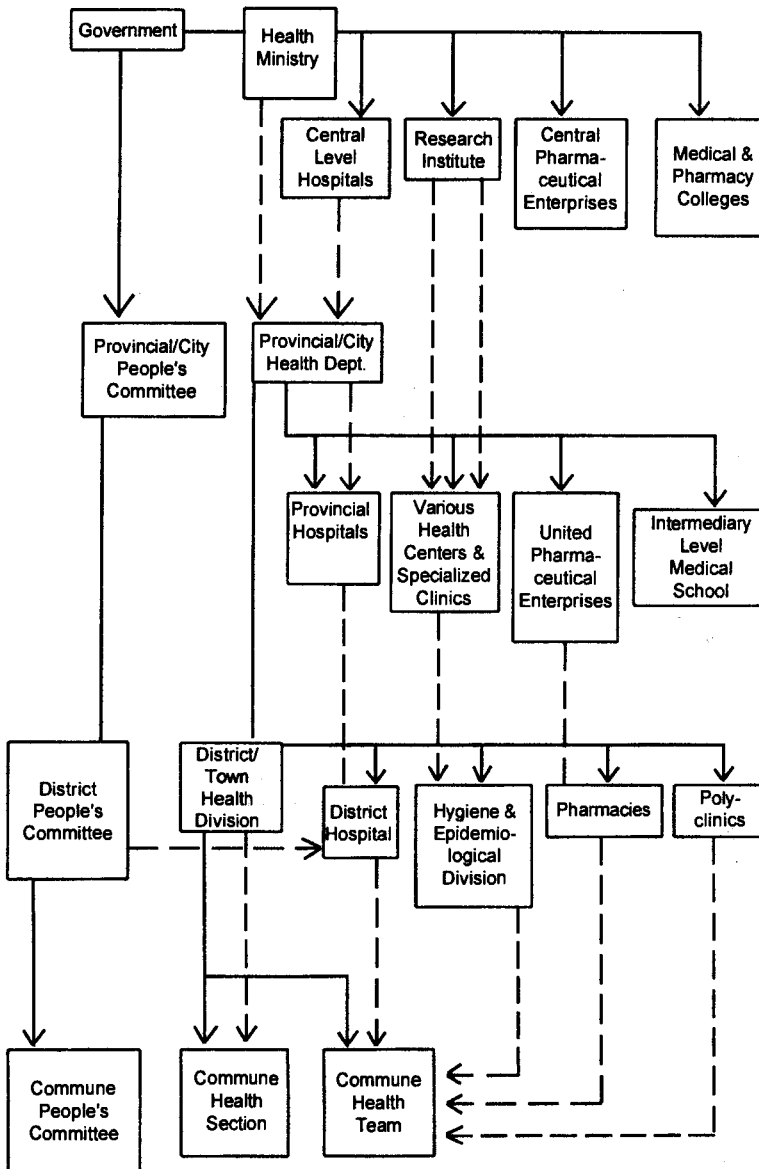
The headmaster of the school is the lead person in the teaching corps. He is responsible to the upper level, and the local administration in carrying out the functions such as planning and implementation, organization of education activities, inspection, and evaluation of teaching operations.

FIGURE 5.3

**Health Sector Management System
Vietnam, 1995**



Pre-1995 Health Sector Management System, Vietnam



A prominent feature of decentralization in the health sector is the handling of health problems at the grass roots, both at the district and commune levels.

In the previous chart (Figure 5.4), the administration units directly administer the health programs at their respective levels.

The district health service is directly responsible to the district People's Committee. The latter makes decisions, decides on personnel promotion, salaries, allotment of funds for health operations at the district level and district hospital or gives directions to commune health service. The commune health centre, on the other hand, is responsible directly to the People's Committee.

The district health centre comprises different divisions (see Figure 5.5). Apart from technical sections, there are administrative sections which assist the Board of Directors. The tasks of the district health centre are:

- * To counsel the district People's Committee on health affairs;
- * To plan, organize, and develop the health network from district to commune levels;
- * To plan and budget the health affairs of the district;
- * To build and sustain the system of health information (reporting, collecting of information and pertinent data, keeping the archives and others) from commune to district levels;
- * To monitor and evaluate the health network;
- * To monitor and inspect all collective and private health establishments;
- * To develop human resources, i.e., train and give refresher training courses as required by the health operations in the district;

- * To organize research on health and technical matters at district and commune levels, with the aim of improving and raising operational effectiveness;
- * To direct public health service to the inner "ring", consisting of the family, private, collective, and hamlet health units.
- * To direct public health service to its outer "ring", consisting of the district health service — the communes and hamlet health services.
- * To direct public health services to its intermediary "ring". This includes inter-communal polyclinics and mobile health teams. These units assume functions and tasks of the district network located far from the centres.

FIGURE 5.5

District Health Center Chart, Vietnam

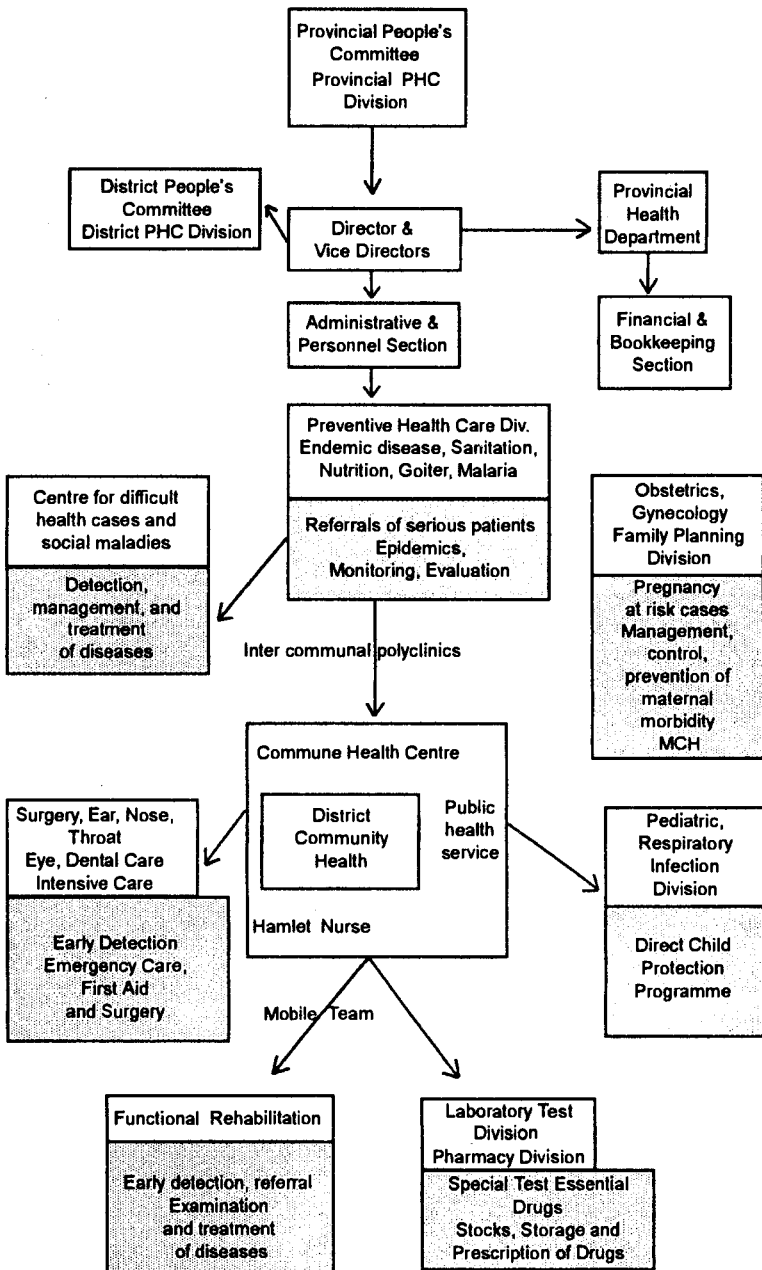


FIGURE 5.6

Components of Health Care in Vietnam

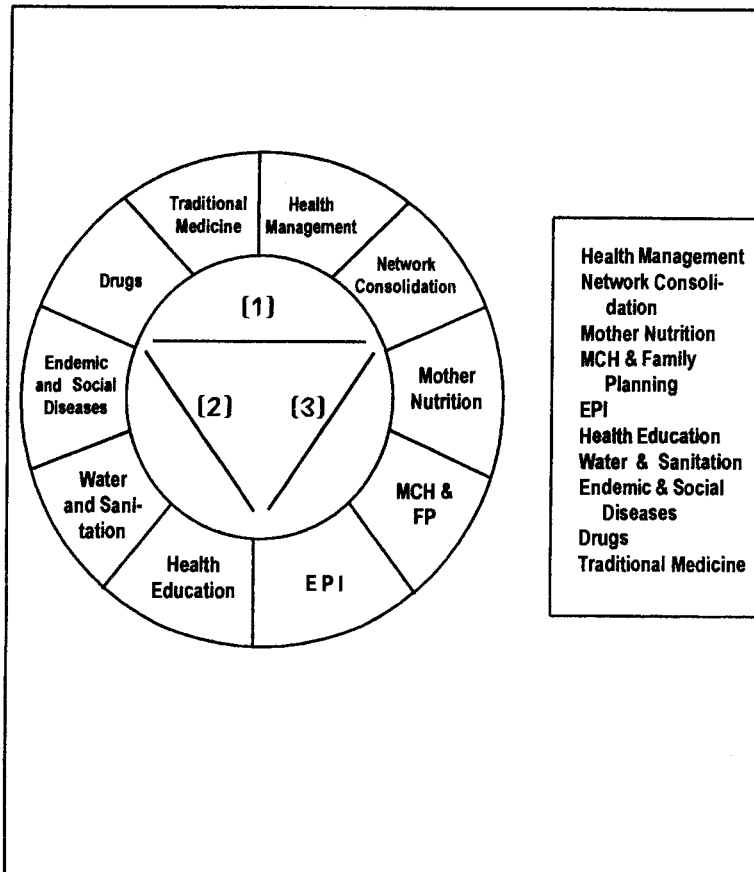


TABLE 5.1

**Specific Tasks and Functions of Doctors
Vietnam, 1996**

Programs under the Traditional Medicine/ Assistant Doctors	Programs under the responsibility of Public Health Assistant Doctors	Programs under the responsibility of Obstetrics & Pediatrics Assistant Doctors
<p>Traditional</p> <p>curative and preventive care using indigenous and grass roots approaches</p>	<ul style="list-style-type: none"> - Endemic diseases - Expanded Immunization Program (EPI) - Health education - sanitation programs (water well, latrines, bathroom) - Sanitation (WC, market place, schools, food, hygiene) - Occupational safety - Mental health, - Epilepsy - Goiter - Tuberculosis - Leprosy 	<p>Reproductive health</p> <ul style="list-style-type: none"> - maternal and child health - prenatal care - delivery - postnatal care
	<p>Assigned jobs and rotating duties:</p> <ul style="list-style-type: none"> - Responsibility for households - Examination and treatment of in-patients, and domicile visit 	<ul style="list-style-type: none"> - Health management of target groups - Health education by area of responsibility - Emergency assistance

Devolution through the Ordinances and Circular Notes

Social Welfare

The central level (Government and Ministries) issues policies, develops programmes, determines the budget, and prepares guidelines for the programme implementation at different levels. The provincial level has the authority to make decisions, and implement programmes in conformity with the programmes and plans worked out by central authorities. The district level determines the needs of the communes and prepares programme geared to them. Support from the provincial level is provided at the commune level. Surveys are conducted to assess needs and establish priorities in plan formulation.

At the central level, the inter-ministerial authorities composed of the Ministry of Labour, Invalids and Social Affairs, the Ministry of Finance, and State Planning Committee, formulate policies and appraise projects and loan requirements in provinces/cities.

The Ministry of Labour delegates powers to localities. The Ministry of Finance transfers funds through the Treasury which in turn provides loans to target groups. The same inter-ministerial authorities coordinate with the Federation of Trade Unions and the sectors concerned in the control and monitoring of labor operations.

At the provincial/city level, the People's Committee, mass organizations and professional associations are responsible for directing and complying with the lending procedures relative to the approval and management of loans.

All the 53 provinces/cities have issued resolutions and directives on lending for job creation and assisted in the employment of 2.4 million persons. A payback rate of 93% on loans was noted.

As a result of the war and attendant diseases, poverty is still widespread in Vietnam, particularly in rural and mountain areas, former resistance bases, and in areas stricken by natural disasters.

The poverty situation in Vietnam is as follows:

**Absolute Poverty (Consumption
of below 1.5 kg of rice/person/month)**

Geographical Area	1989-1991	1992
	%	
Rural	29.96-35.61	28.00-34.00
Urban	---	4.28

**Chronically Severe Starvation
(Intake of below 8kg. of Rice/Person/Month)**

Geographical Area	1989-1991	1992
	%	
Rural	5.7 - 7.96	5 - 7
Urban	4.42	1.57

This problem was underscored in the Resolution of the 7th Party Congress and Resolution of the 5th Plenum of the 7th Congress (11/6/1993). As such, hunger elimination and poverty alleviation are urgent tasks ahead.

The Labour Ministry has submitted to the government the draft of "Government Resolution on policy guidelines and measures regarding elimination of hunger and alleviation of poverty in the 1993 - 2000 period".

The social welfare goals at the local level are as follows:

- * To ensure that the seriously wounded in the war have acceptable living standards through family assistance;

- * To repair their dwellings and build new ones when necessary;
- * To open savings accounts for them;
- * To raise funds to show gratitude to those who have made sacrifices for the common goal (*Qui den on dap nghĩa*) and assist those who are in difficulty; and
- * To provide material support to the martyrs' relatives, parents with several children, and orphans of war martyrs.

In 1992, the country had the following accomplishments:

- 103,971 savings accounts (of an aggregate value of VND 22.5 million) opened and delivered to qualified beneficiaries;
- 13,030 houses built as a token of gratitude to those who fought in the war.
- the total expenditures on housing construction and repairs amounted to more than VND 34 million.

Socialization as an expression of decentralization in social sectors

In education: The Resolution of the 4th Plenum of the 7th Party Congress on the improvement of education and training indicated the need: "to mobilize society to improve education and encourage the people to contribute to education campaign. "Major policies and measures" stated that "the Fatherland Front, all mass organizations, all social organizations, families and individuals with the education and training sector attends to education needs according to the principle of the sharing of responsibilities in the slogan 'Let us build school, family and society.'

-
-
- * To mobilize resources, develop educational materials, provide equipment, and raise funds to support educational operations such as "school support fund", "awards for excellence". According to reports from 41 provinces in April, 1994, the funds of the Programme No. 8 (one of the 8 ministerial-level programmes) received in the 3-year period (1991-1993), amounted to VND 176,952,000,000 and the sum received as aid was VND 20,919,000,000. Other sources of funding totalled VND 18,368,000,000. Hence, the State funding share accounted for 19.2% of the total.

Central level Coordination of Health Services

At the central level, the Ministry of Health (MOH) has conducted a series of activities involving other Ministries. For instance: It collaborated with the Ministry of Labour, Invalids and Social Affairs (MOLISA) and mass organizations on programmes in "blindness control" and "functional rehabilitation". It coordinated with Ministry of Education and Training (MOET) programmes on school hygiene, health insurance, immunization, etc. It worked with the Ministry of Defense on the programme for health protection of inhabitants in islands and border areas. It worked with the Committee for Protection and Care of Children (CPCC) in Population and Family Planning programs, health insurance, control of infectious diseases, sanitation, etc. At the provincial, district, and commune level, coordination between the three sectors of education, health and social welfare was noted.

Community involvement

In 1954, campaigns were launched such as "Let us achieve cleanliness in the villages", "Let us achieve cleanliness in all our streets," "Let us build the three sanitation facilities," "Let us achieve 3 types of cleanliness and kill 3 harmful insects," "Hygiene and civilization as a way of life."

There were three forms of community participation in various programmes:

- * The health sector plays the main role (budget and technical aspect) in coordination with mass organizations. For instance, programmes for AIDS control, drug control, Expanded Programme of Immunization EPI), control of social maladies, consolidation of grass roots health work.
- * The mass organizations play the lead role and the health sector participates by contributing partially and providing technical assistance, for example, in programmes of industrial hygiene, occupational health (conducted by the Federation of Trade Unions), protection of the mother and child (conducted by the Women's Union), contest of well-developed children (conducted by the Youth Union).
- * Mass organizations and MOH jointly assume the main role; they share costs, as well as divide jobs and responsibilities. This is evidenced in programmes like Population and Family Planning, ecosystem development, and cultivation and use of medicinal plants.

The role of community organizations in health care is important. They educate members on health management and health care work in their locality. For instance:

- * The Vietnam Fatherland Front has the movement of "All society to care for the elderly," "the Elderly's Club," "philanthropic health care centre," and "environment".
- * The Federation of Trade Unions has programmes such as "Population and Family Planning", "Building Families for a New-type of Culture," "Building Residential Quarters," resort amenities and convalescence centre. The Women's Union concentrates on programmes for maternal and child health care, sponsors contests for children, implements VAC ecosystem development, and builds child day-care and home-based centres. The Youth Union participates

in AIDS control, drug control, and blood donation. The Red Cross Society has programmes for the needy, elderly, lonely, supportless, handicapped, and victims of natural disasters. It is also engaged in providing services to health centres, conducting first-aid training classes, and setting up health clinics.

The most outstanding feature of social welfare is the "tripod" pattern that was discussed in a meeting of the sector of Labour, Invalids and Social Affairs in April 1991. It supports the State in its responsibilities for macro-management of social welfare.

The "tripod" pattern has become an approach for the whole sector, e.g., to care for the family of the war wounded, the invalids and martyrs. In 1990, the Party issued a statement encouraging society to take part in the movement "Let us show gratitude" (to the war invalids, the family of martyrs, etc.). Another movement mobilized society, in which responsibilities are vested on the different sectors and mass organizations.

Vietnamese decentralization has two forms:

The first is the delegation of power to various administrative levels on the basis of a defined "manageable area". Each level of administration is reorganized with local autonomy and responsibility as the basis of redefined functions in the district and province. The general motto is "Joint efforts by the central and local governments."

The second is the participation of the community, social organizations and non-governmental organizations. The entire society initiates and executes social policies and programs. (The commonly used term is *socialization*, which is equivalent to the regional term, *community participation*). Democratization of administration is crystallized in the mottos "known to the people, discussed by the people, implemented by the people and controlled by the people" and "joint efforts by the State and the people." The

idea is "to enhance the responsibility of the citizenry in solving problems and of the community to elicit the traditional humaneness of the nation".

Key Informants Perception

A survey was conducted among 33 administrators of government branches and non-governmental organizations at the central, provincial, district, and commune levels. The administrators themselves initiated and organized the decentralization programs in education, health service, and social welfare. Interviews were conducted among 30 respondents from the rural and urban areas who were recipients of these programmes. The information gained from the interviews, though fragmented, mirrors the perception of programmes and their efficiency:

1. The informants listed a number of programmes, activities, and plans related to decentralization in education, health service, and social welfare.
2. Only the key administrators were aware of decentralization. This was demonstrated by the description of the manner in which they initiated and monitored the programmes.
3. Most of the informants did not use the term "decentralization", although the concept fit the definition. Decentralization is known through its mechanisms and contents:
 - a. devolution of power from bureaucratic centralization; and
 - b. socialization (lower level involvement) in education, health service and social welfare plans

The administrators, on account of their involvement, have a better understanding of the two mechanisms. Beneficiaries know more about socialization because it is related to their involvement and responsibilities. Some beneficiaries, from poor families, knew less about the concept.

The informants, who are administrators at all levels and branches of government and non-governmental organizations, demonstrated theoretical and practical knowledge of decentralization, which justified their proposition that it must be institutionalized in the national and local affairs. Nonetheless, a few doubted the merits of decentralization, and were apprehensive about its negative effects.

4. The limited understanding of the objectives and process of decentralization hampered the development of a comprehensive decentralization model and design. Implementing the programme rests not only on the enthusiasm, sense of responsibility and interest of the relevant personages, but the commitment of national and local authorities and cadres.

It is imperative that initiators and implementors of the decentralized programs be knowledgeable and adequately trained on the process as well as methodologies of decentralizing political and administrative powers from the national and sub-national governments. Moreover, the government must financially support the process of devolution. Policies have to be detailed, programmes specified, and activities stipulated. Furthermore, the role of local governments is important, and has to be clearly defined. In this context, local governments have to assume the following functions and responsibilities:

- a. the local governments should concretize the programme in accordance with local conditions, and make necessary amendments to fit current needs;
- b. the local governments should take the initiative to develop programmes suited to the local needs and targets as expressed by the beneficiaries;
- c. the implementation should be organized and linked to activities of other branches and social organizations concerned with decentralization.

Social organizations, non-governmental organizations, and communities represent the sentiments and expectations of the masses. They have great potentials of sustaining decentralization. There are two noteworthy imperatives:

First, all organizations should be involved in planning, administration, and implementation of programmes;

Second, the beneficiaries of policies -- i.e., the masses -- should have mutually interactive relations with programme providers.

Case Studies

Case studies were carried out in a rural area of Viet Hung commune, and Lang Ha, an urban area.

The survey conducted in the areas demonstrated the efficiency in the implementation of decentralization-related policies and programmes. The findings were as follows:

1. Social policies and programmes, when effectively implemented, meet the local needs. Many education, health, and social welfare policies and programmes were carried out in an adequate fashion. Formal and written decentralization guidelines were evident; the contents and mechanisms of decentralization were spelled out. The programme run by the Centre for Continuing Education is a good example of the autonomy and resourcefulness of the local government in implementing policies on education.

Decentralization was reflected in the activities of local health units conducted with participation of the community. Decentralization was implemented in poverty alleviation programmes and welfare services for the families of war victims.

2. The local political system and administrative structure constitute a decisive factor in effective implementation of social programmes.

The local political system provides the orientation, as well as impetus for development. The local community organization initiates activities and mobilizes social organizations to perform specific functions and responsibilities. The local administrative structure composed of the People's Committee, the People's Council, branches responsible for socio-economic development, the administrative system, and every production team in each village, represent a unified structure in the implementation of decentralization strategies.

What is important is that the political system and administrative structures are supportive of the devolution of power and activities to local communities. These will be motivated by the goal of improving people's quality of life, equity, and a sense of community.

3. Monitoring the implementation of programmes along the line of decentralization is important to ensure its sustenance of decentralization.

Socialization and devolution of power are the mechanisms for the implementation of devolved programmes. The strategic orientation for administration of the State policies and laws is the harmonization of local power and responsibilities. The local government makes full use of these defined power and responsibilities by mobilizing the communities for the implementation of social programmes.

NOTES

1. The 1980 Constitution of the Socialist Republic of Vietnam, an offshoot of the 1946 and 1959 Constitutions, defines the political, economic and social systems, the rights and obligations of the citizen, and the principles of operation of the State agencies.
2. The 1992 Constitution of the Socialist Republic of Vietnam. In the process of DOI MOI or Renovation, which started in 1986, the Vietnam National Assembly decided to reform the 1980 Constitution to meet the requirements of the new situation. The reformed Constitution defines the political, economic, cultural, social, and structure and principles of operation of the State agencies, and also institutionalizes the links among the Communist Party, the government, and the people. Referring to decentralization in education, the Constitution states that "education is the national policy of importance," "in terms of objectives, curricula, contents, planning, teacher's qualifications, examination regulations and certificate/degree system...". "The State develops the educational system, promotes state-owned and people founded schools. The State gives priority to education in terms of budget allocation and other investments. Priority is given to educational development in mountain areas, minority communities, and other disadvantaged areas. Mass organizations, especially the Youth Union, social and economic institutions, the family, and the school share the responsibility for the education of the young."
3. The strategy for socio-economic stabilization and development till 2000, SU THAT (Truth) Publishing House, Hanoi, 1991.

The document analyses the socio-economic situation, and points out the course and objectives of development, the economic structure, and the management mechanism such as the elimination of the state-subsidized, bureaucratic, and centralized operations, the establishment and effective implementation of the market mechanism under State control.

4. The platform for national construction in the transitional period to socialism (Documents of the VIIth National Communist Party Congress), SU THAT Publishing House, Hanoi 1991.

The platform touches upon the revolutionary process and lessons of experience; transition to socialism in Vietnam; major orientations for economic, social, national defense, security, and foreign policies; the political system, and the role of the Communist Party.

5. Documents of the VIIth National Communist Party Congress, SU THAT Publishing House, Hanoi 1991.

These documents include the opening statement, the political report, congress documents, proceedings of discussion, and the congress resolution.

6. Guidelines to the study of the documents of the VIIth Party Congress of the Vietnam Communist Party (used for the second-round root Party Congresses), TU TUONG VAN HOA (Ideology and Culture) Publisher, Hanoi, 1991.

This document has two sections: guidelines for the amendments, and supplements to the reformed Party Rules approved by the Congress.

7. Documents of the VIIth plenary meeting of the VIIth Party Central Committee (internally circulated), Hanoi, 1994.

These include the address of the Secretary General entitled "Making a further move toward industrialization and modernization, a powerful country, and a fair and civilized society"; the presentation by the politburo concerning the central committee's discussion of and contributions to the draft resolution; the Resolution of the VIIth plenary meeting of the VII Central Committee; the closing speech by the Secretary General; Instructions on the implementation of the Resolution of the VIIth plenary meeting of the VIIth Party Central Committee.

8. Decision No. 135-HDBT signed May 7, 1990 by the Council of Ministers stipulating the functions, responsibilities, authorities, and organizational structure of the Government Personnel Board.
9. Decision No. 196-HDBT signed December 12, 1989 by the Council of Ministers stipulating the responsibilities and authorities of ministries in State management.
10. Decision No. 197-HDBT signed December 11, 1989 by the Council of Ministers on the amendments to the assignment of 1990 State Plan.
11. Draft law on the organization of the People's Council and the People's Committee (as approved by Vietnam National Assembly).

Chapter I : General Provisions

Chapter II : People's Council

Chapter III : People's Committee

Chapter IV : General stipulations in case of changes in organization or territory of administrative units and in special cases.

12. Resolution No. 176-HDBT released on December 24, 1984 on the improvement of women's role in national construction and defense.

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13. Instruction No. 145-TTg released April 6, 1993 by the Prime Minister on youth's participation in the implementation of socio-economic programmes.

14. Le Huyen Thong, "Power of the people, by the people, and for the people." The Nhan Dan Daily.

The newspaper article deals with the responsibilities of the State in the mobilization of the population, a mechanism for the implementation of "a State power of the people, by the people, and for the people".

15. Striving for the fulfillment of 1994 tasks set out in the National Assembly Resolution (A report by the Cabinet at the 5th session of the 9th National Assembly).

Concerning decentralization, the report states "to further improve the economic reforms in combination with the administrative reform, political reforms are fundamental," it is necessary to "improve the relationship between the State offices, officials, and the people and enhance the effectiveness in management of the national administrative system."

As for the relationships between central offices and local authorities in the administrative system, many problems need to be addressed, an important part of which is mentioned in the draft laws on the People's Council and the People's Committee, the law on the state budget....

16. A political report of the Central Committee (7th term) mid-term national conference, THE GIOI Publisher, Hanoi, 1994.
17. To understand the 7th National Congress of the Communist Party of Vietnam, Foreign Languages Publishing House, Hanoi, 1991.
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18. Vietnam: NGD Directory 1992 - 1993, THE GIOI Publisher, June 1992.
19. Resolution of the 4th plenary meeting of the VIth Central Communist Party Committee on continuing the educational and training reform (internally circulated), December 1993.

The Resolution covers:

1. the present situation of education and training,
2. continuing the educational and training reform.
 - a. guidance
 - b. major guidelines, policies and measures.
20. Temporary stipulations by the Standing Committee of Thanh Hoa Provincial Communist Party Organization on the party leadership and a mechanism for the scientific and educational work at the grass roots level (Document No. 03 QD/TW by Thanh Hoa Provincial Communist Party Organization). The document has the following sections:
 1. Functions and responsibilities
 2. Contents of leadership
 3. Mode of working
 4. The combined mechanism
 5. Renewal of leading and working styles.
21. Circula No. 38-TT signed December 26, 1988 by the Ministry of Education on the stipulations for the devolution at district level to schools, work-and-study secondary schools, and complementary education schools of upper secondary level.

The circula describes the devolution of managing power at district level to above mentioned schools. General principles are as follows:

1. Democracy in central professional combined with local and geographical management:

- to ensure the uniformity in the management of policies, training programmes, contents and plans, policies for teachers, school rules and professional regulations, and to improve local management, by bringing into full play the creativeness of population to assist the school achieve its goals, combine educational objectives with the local economic, social and security goals.
- The Ministry, local authorities at all levels, and the local educational management services undertake designated responsibilities without usurping power or entrusting everything to the lower level of authority.

The secondary school is under the management of the local authority which is under the supervision of the provincial educational service. The district educational service acts as consultant to the district government in the latter's managerial responsibility for the school.

22. Decision No. 278/QD issued February 21, 1992 by the Minister of Education and Training on the promulgation of "Parents' Rules."

Parents' Rules: The Minister of Education and Training specifies the February 21, 1992 Decision 278/QD. The rules define the responsibility, authority and mode of operation of the Parents' Association.

Article 1: The Parents' Association is an organization of those who have children going to schools: creche, kindergarten, or general school and who participate in education on a voluntary basis. The aim of the Association is to provide assistance to the school.

Article 2: The Parents' Association has the following responsibilities:

- a) to disseminate the information about the Government's policies on education and training among its members so that everyone can cooperate with the school in achieving its objectives.
- b) to encourage parents and others in the community to assist the school
 - encouraging children to study at home and improve their behaviour with their family and in the community;
 - making contributions to the upgrading of the school's facilities and improvement of teachers' material and spiritual life;
- c) to make suggestions for policies related to the education and training of the young.
- d) to enforce the national and international laws on protection, care and education of the young (international convention on the rights of the child; law on child care and education; law on universal primary education....).

23. Prof. Nguyen Ngoc Quang, Patterns of Democratization in School Management, *NGHIEN CUU GIAO DUC* (Educational studies), issue No. 6/1989.

The author emphasizes the third factor in the pattern: the involvement of social forces in the building and management of the school, and the sixth factor: the managerial relations between the upper management and the school in the decentralization of power.

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24. Asso. Prof. Le Khanh, "Some problems of socialization of education." NGHIEN CUU GIAO DUC, issue No. 7/1993.

In his writing, the author views socialization of education through educational practice.

25. Prof. Tran Hong Quan, Minister of Education and Training, NGHIEN CUU GIAO DUC. issue No. 8/1993.

Of the orientations, two are concerned with decentralization:

Orientation 6: Building a mechanism to create resources for the practice of education and training.

Orientation 7: Renovation of the management of education and training.

26. Nguyen Nghia Dan, "On democratization of educational management," NGHIEN CUU GIAO DUC, issue No. 8/1988.

Guided by the concept "people as the root" and the spirit of renovation initiated by the VIth National Communist Party Congress, the author believes that democratization of educational management ensures a better implementation of the program and the fight against bureaucracy, conservatism, and formalism. He emphasises that

1. the right to information is important to people's right to self mastery. "Managerial work is not the turf of managers, but rather a task of the people."
2. democratization must be practiced in educational management: planning, organizational work, personnel management, inspection, control...
3. democratization is synonymous to people's creativeness.

4. democratization is demonstrated in the relationship between the subject and the object of the educational system. In order to democratize educational management, it is demanded that the managerial mechanism, responsibilities, authorities, regulations and working style be institutionalized.
27. Nguyen Van Dan, Ph. D., "Democratization of education and the problem of semi-rate and people-founded schools," NGHIEU CUU GIAO DUC, issue No. 2/1993.

In the early twentieth century, democratization of education was seen in Britain and America as the creation of full opportunities to education by everyone (mass education). In the 1940s, a diversified education system interconnected with vocational training were presented. In 1946, in a draft for a democracy reform, prepared by the French Communist Party included democratization of education such as the establishment of citizen education and qualitative education. In the 1980s, most countries took a view that democratization of education is closely linked with universalization of education.

The author concludes that "democratization of education is the establishment of mass education, a citizen education, a scientific, qualitative, and effective education. Educational relationship is cooperative.

28. Ministry of Education and Training: A review of the implementation of the resolution of the IVth Central committee of the Communist Party on "Continuing the education and training reform in 1993 - 1994 school year and some measures to be taken in 1994 - 1995 school-year." June/1994.

Section I: A review of the implementation of the Resolution of the IVth Central Committee of the Communist Party.

Item 9 : Advocating socialization of education. The ideas related to decentralization are quoted in report 1:

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- socialization of education aimed at development;
 - some gains harvested in socialization of education;
 - a rise in school enrollment;
 - the implementation of the line of "joint efforts by both the State and the people".

Through socialization of education, resources for construction of material premises have been identified.

Item 10: Renovation of educational management:

The implementation of the objectives has proven effective. In addition to the programmes and objectives of the whole educational system, local sub-programmes, objectives and projects have been developed for the undertaking of the responsibilities and major policies set out by the branch.

Section II: Policies and measures to monitor local management of education and training in 1994 - 1995 school-year:

- to promote the campaign for socialization of education and bring into full play the line of "joint efforts by both the State and the people" with a view to accelerating the construction of school buildings.
- to continue the reforms in educational management on the ground that each managerial level functions in consultancy and State management. It is necessary to grasp thoroughly and realize the resolutions by the Communist Party, the National Assembly and the Government, and those by the Provincial People's Council on educational development, involving concerned branches, authorities at all levels, mass organizations, and economic, cultural, and scientific institutions in educational reforms.

29. Directive No. 29 CP promulgated by the Government on March 30, 1994 on the responsibilities, authorities and organization of the Ministry of Education and Training.

According to this Directive, the Ministry of Education and Training, besides its managerial function, authority and responsibility as defined in the Directive No. 15 - CP signed March 2, 1993, has the following specific responsibilities:

1. to submit the school network, list of professions and trades under training, and that of higher educational institutions to the government for approval;
2. to issue circulars on the list of professions and trades under training, the establishment or dissolution of schools, the educational and training objectives, curricula, contents and methods at all levels of education;
3. to consider and permit the production of text-books and other publications for educational purposes;
4. to regulate enrollment, and management of pupils, undergraduates, and postgraduates;
5. to formulate standards for evaluation of education outputs, rules, and regulations on the grant or withdrawal of certificates and degrees;
6. to stipulate equipment quota for the utilization and maintenance of the school resources;
7. to join other concerned agencies in determining teacher's qualifications and amount of work-hours;
8. to supervise and monitor the implementation of educational programmes;
9. to organize and monitor the training and employment of teachers according to school type;
10. to prepare regulations for higher educational institutions and submit them to the government for promulgation;
11. to inspect schools.

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30. Nguyen Quang Kinh and Nguyen Ke Hao, "Decentralization in primary education planning and management in Vietnam" - A paper presented at the Workshop on decentralization of primary education in Nepal, December. 1994.
 31. Decision No. 203 HDBT signed December. 28, 1988 on the policy to commune, and townlet medical workers.
 32. Circula No. 5/BYT released April 3, 1989 guiding the implementation of the Decision No. 203 HDBT signed Dec. 28, 1988.

The Circula virtually defines the interests and responsibilities of local medical workers.

33. Decision No. 355/BYT-QD promulgated April 20, 1990 on the protection of mother and child health and family planning.

The Decision designates the responsibility and authority of root medical units in the protection of mother and child health and family planning.

34. The proceedings of the Medical Workshop "Health Protection, a cause of the people, by the people and for the people." Ministry of Health, September 1991.

The Proceedings cover 117 pages and contain the reports of the Minister of Health, representatives of the Fatherland Front, Federation of Labourers, Union of Vietnamese Women, War Veterans Association, The Red Cross, Youth Union, Traditional Medicines Society, Vietnamese Student Association, Scientific Centre of Women Studies, Directors of Hospital of Health Protection for the Old, etc. All of these deal with the mobilization of the community for medical work. Also, it introduces President Ho Chi Minh's ideas about people's health protection.

35. Decision No. 154/TTg. signed Dec. 11, 1992 by the Prime Minister. The Decision deals with the devolution of power.
 36. THON TIN SUC KHOE (Health Information) Magazine issue No. 6/1993. This magazine issue is devoted to the activities of the grass roots medical units.
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37. An Giang Communist Party Organization's leadership over the organization and activities of the local medical units. A presentation at the Seminar on Models and Activities of Root Medical Units, 15 - 16 July 1993. The presentation materializes the mechanism of managing power devolution in a province.
38. The improvement and construction of local medical units in Long An province. A presentation at the Seminar cited in Reference 37.
39. Proceedings of the Conference on Root Medical Units, Central Committee for Science and Education and Ministry of Health, Hanoi, 1993. The proceedings are a collection of the presentations on the building of local medical units and experience in devolution of managing power in medical service at district level of some provinces.
40. Dossier of the Conference on local medical units, work in northern provinces, 3-4 August 1993 in Hanoi, Central Committee for Science and Education and Ministry of Health. This dossier is a collection of reports by mountain provinces on devolution of power in medical service (at district and commune levels).
41. Some elements in medical service.
42. Some elements in population and family planning activities.

References 41 and 42 relate the experience of Hai Phong city in managing devolution in health, population, and family planning activities, which was presented at the 1993 summing-up conference.
43. A report on the activities of Ninh Binh Medical Service, Ninh Binh Provincial Medical Service, Dec. 1993.

The report presents the experiences in managing devolution of a plain province with emphasis on medical units at district level.

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44. Some activities of the health service of Ha Tinh province.
 45. A model for the organization and operation of the grass root medical units, a report by Thanh Ha district, Ha Tinh province.

References 44 and 45 present experiences in managing devolution in health service at provincial, district and commune levels, especially the working experience of the district medical service centre.

46. Regulations on the structure and operation of An Giang Provincial Medical Service in 1994 - 1995 period, Provincial People's Committee and Medical Service of An Giang Province, Dec. 1993.
47. Organizational structure and operation of the Medical Service of An Giang province.

References 46 and 47 present the experience of An Giang province in managing devolution in the province's medical service and the functions, responsibilities, and operations of health service from provincial to district and commune levels since 1994.

48. The organizational and operational model of health service of Ben Luc district.
49. The organizational and operational model of health service of Tan Buu commune, Ben Luc district.

References 48 and 49 were presented at the conference on grass root health services of the Mekong Delta provinces, 15 - 16 July 1993.

50. Directive No. 6/CP signed Jan. 29, 1994 by the government on points described in the law on private medical and pharmaceutical practice. The Directive stipulates the conditions for the opening of private hospitals and drug stores.
 51. Prof. Dang Van Duet, "Root medical service and a look back on the Health Service itself," the NHAN DAN Daily, Aug. 9, 1994.
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The newspaper article summarizes the devolution of power to grass roots medical service units since the 1960s and also confirms the choice of the district level as the base for the health services.

52. Decision No. 785/QĐ UBND promulgated May 27, 1994 by Thừa Thiên Huế province stipulates the organizational structure and policy of grass roots health service units.

The Decision defines the status, responsibilities and authorities of district and commune health services in different areas of the province.

53. Quality of public health services and household health care in four communes of Quảng Ninh province, Vietnam, Centre for Human Resources in Health, July 1994.

54. Management of integrated activities of primary health care, Ministry of Health, SIDA, 1993.

Volume I: Management of integrated activities of the commune medical station.

Volume II: The management and supervision of the district medical service centre.

NOTES ON SOCIAL WELFARE

55. Existing legal texts on labour, war invalids and social affairs. Volume I, Hanoi, LAO DONG VA XA HOI (Labour and Social Affairs) Magazine. They cover these issues: organizational structure of labour, war invalids and social affairs offices, policies on labour and population, employment, migration to new economic zones, and sending Vietnamese labourers abroad.

56. Existing legal texts on labour, war invalids and social affairs, Vol. II, Hanoi, LAO DONG VA XA HOI magazine, 1992. The texts give coverage to the existing policies on: labour safety protection, health insurance, salary scale, agreement on collective labour, and an appendix carrying some additional texts related to the contents of Vol. I, which are released by the Government.

These two documents encompass the texts released after the economic renovation was initiated, and therefore, are related to decentralization.

57. Circula No. 3-LDTBXH/TT signed January 30 1989 to describe the functions, responsibility, power, and structure of the labour, war invalids and social affairs services under local People's Committees at all levels.

The Provincial Labour, War Invalids and Social Affairs Service has the following responsibilities and authorities:

1. to specify and institutionalize the policy of the central government, the decision by the relevant communist party organizations and the Provincial People's Committee in accordance with the local situation.
2. to study, develop, and submit to the Provincial People's Committee the vision, tasks, long-term and annual plans of labour, war invalids and social affairs office on the basis of the State laws and policies, and the guidance of the Ministry of Labour, War Invalids and Social Affairs to assist the provincial People's Committee organize their implementation.
3. to supervise the management and utilization of labour resources by units at lower levels.
4. to facilitate the achievement of goals for groups of population under social protection.
5. to organize and guide the implementation of plans for labour allocation, identify, and grant certificates to disadvantaged groups and keep records of war invalids under the province's management.
6. to organize and monitor the care and vocational training of people under social protection programmes and organize their production capabilities.

7. to control the local financial and material flows including the State budget and local expenditures for labour, war invalids and social affairs services.
8. to control and monitor concerned branches and units at lower levels.
9. to provide guidance to affiliate units in the province to ensure adequate remuneration.
10. to review relevant services and propose recommendations on the relevant policies to the provincial people's committee and authorities at higher levels.
11. to follow the system of regular and out-of-the-blue contacts and reports as required by the Provincial People's Committee and the Ministry of Labour, War Invalids and Social Affairs.

Responsibilities of labour war invalids and social affairs services in the district, provincial capital and city under the province:

1. to describe tasks, annual and long-term plans on labour, war invalids and social affairs on the basis of the district activities and plans under the guidance of the provincial labour, war invalids and social affairs service and submit them to the district authority for approval.
2. to implement relevant services and ensure the management and utilization of labour resources.
3. to provide guidance and control in the implementation of the government's policies to disadvantaged groups such as the disabled, orphans, and the elderly by concerned branches and institutions at lower levels.

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4. to provide assistance to concerned branches in the implementation of district plans for labour distribution and provide employment to local labourers and the disadvantaged under the war invalids and social affairs programmes who feel able to work.
 5. to identify and grant allowances for books under the management of the district program.
 6. to organize and supervise the care of war invalids and war martyrs.
 7. to control the financial and material flows in the district.
 8. to review the services and make recommendations for relevant policies in the district and at higher levels.

Responsibilities of labour, war invalids and social affairs services in communes, wards, and district towns

1. to develop and submit to the commune people's committee for approval the working plan every month, quarter, six months, and year.
2. to provide guidance to the implementation of programmes, plans, and policies of branches and organizations.
3. to coordinate with other branches and organizations mass movements to care for war invalids, war martyr's families, and the families credited with services to the revolution.
4. to keep records of material resources and finances.
5. to review services and propose recommendations on relevant policies to the commune people's committee.

58. "Statistics on labour and social affairs," Statistics Publisher, Hanoi, 1992.

The document provides statistics on human resources in social welfare programmes.

59. "Some problems of the current social policies in our country," CHINH TRI QUOC GIA (National Politics) Publishing House, Hanoi, 1993.

The authors give a theoretical explanation of the social policies, their characteristics and relationships with populations under social care programmes.

60. Asso. Prof. Tran Dinh Hoan, "Policies on Social Affairs and the Responsibilities of the Labour, War Invalids, and Social Affairs Services." A presentation at a workshop of the project KX-04/7.

The author points out three concerns: (a) an appraisal of the current social problems, their causes, and conflicts; (b) formulation of policies on social affairs relevant to the country's present economic situation; (c) implementation of policies.

61. Mass movements and enhancement of the community's responsibility to provide better services at local levels: measures, lessons of experience, and the role of local officials.

62. Do Trong Hung, "Some viewpoints and orientations of labour and social affairs services till 1995."

The author presents lessons of experience drawn from the review by the labour, war invalids and social affairs of the VIth National Congress of Vietnam Communist Party. Stress is placed on the involvement of the community in the implementation of policies on labour, war invalids, and social affairs.

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63. Training documents for labour, war invalids and social affairs services developed for the chief and associate chief of district labour, war invalids and social affairs services, The School for Labour, War Invalids and Social Affairs services officers, Hanoi, 1993.

These documents include an assessment by the Ministry of Labour, War Invalids and Social Affairs of tasks until 1995.

64. A Draft Resolution by the Government on policies and measures for poverty alleviation in the 1993 - 2000 period.

65. A project on poverty alleviation, Ministry of Labour, War Invalids and Social Affairs.

The project proposes a program for poverty alleviation.

66. "Poverty in Vietnam," The Labour, War Invalids and Social Affairs Service (Conference documents), Hanoi, June 1993.

Included in the document is a presentation by Mr. Le Van To, Director of Labour and Social Patronization Department, on poverty alleviation programme.

67. Poverty alleviation for Prosperity of a Powerful Country, Ho Chi Minh City, 1992.

This is a compilation of texts promulgated by the Standing Committee of the Municipal Communist Party Organization and the Municipal People's Committee. It covers the policies and implementation measures for poverty alleviation programmes, and the experiences, problems, as well as the recommendations made by branches, mass organizations, localities and individuals in the implementation of the programme.

68. Poverty Alleviation Models, Ho Chi Minh City, 1993.

From the introduction of some models in poverty alleviation, the document gives strong evidence of the efficiency of the mass movements.

69. Proceedings of the conference on the elimination of drug addiction and reintegration of users in the community, Ministry of Labour, War Invalids and Social Affairs, Dec. 1993.

The Proceedings deal with the experiences, difficulties, and recommendations for decentralization in the elimination of drug addiction in the district and commune.

70. Nguyen Dinh Lien, The commune's role in the management and implementation of policies on war invalids and war martyrs' families The QUAN DOI NHAN DAN (People's Army) Daily, July 26, 1994.

The newspaper article reads in part: "It is demanded that the community joins the State to take care of war invalids and war martyrs' families. The commune plays a significant role in these aspects.

The commune holds an important position in the implementation of the government's policies on war invalids and war martyrs' families. The commune is capable of mobilizing groups of population in assembling material sources for their home improvement. It is the commune that can best implement the relevant policies of the government.

CHAPTER VI

Decentralization in the Social Sectors: What Can We Learn from the Asian Experience?

As the decade of the 1990's began, intractable forces related to industrialization, structural adjustment, trade liberalization and economic development in Asian countries, as well as their interdependence, ideological divisiveness, and seemingly inevitable population growth have hampered efforts toward achieving the goals of equity, social justice, and empowerment. There has been a consensus that fundamental changes in social and political structures are necessary through effective policy design and implementation to achieve these goals. The last decade of the twentieth century witnessed a paradigm shift which premised development as an increase in both growth and equity, a process that is empowering rather than demeaning. Todaro defined social development as "a multidimensional process involving major changes in social structures, popular attitudes, and national institutions as well as the acceleration of economic growth; the reduction of inequality; and the eradication of absolute poverty."

⁽¹⁾ It is also in this decade that development focused on human and ethical concerns. Goulet succinctly described this awareness:

"The prevalent notion of underdevelopment is a sense of personal and societal impotence in the face of disease and death, of confusion and ignorance as one gropes to understand change, of servility toward men whose decisions govern the source of events, and of hopelessness before hunger and natural catastrophe." ²

Within this context, social development is viewed as enhancing self-esteem, the sense of efficacy, and the ability to make choices for the future. It implies that programs realize

physical and concrete changes in a mode that gives people the capacity to choose and respond to these changes. Decentralization is viewed as a mechanism to attain this end. It is broadly defined as the transfer of planning, decision-making, and administrative authority from the central government to its field organizations, local administrative units, semi-autonomous and parastatal organizations, and non-governmental organizations.

The Asian Pacific Ministerial Conference in Preparation for the World Summit for Social Development, convened in Manila in 1994, arrived at a consensus that good governance for social development requires effectiveness in the administration of social justice and entitlements by the State.³ This requires a concerted effort to ensure the reliability and integrity of the legislative, administrative, and judicial branches of the State through accountability of action, transparency in decision-making, and excellence of personnel. Governments should facilitate the active participation of all social groups in development, policy-making, planning, and programming to improve the effectiveness of social development programs. To achieve this, there is a need to encourage and implement decentralization and devolution of responsibility and authority, including fiscal authority, in the planning and delivery of social services. Relevant institutions will be empowered to assume increasing responsibility and authority for social development. The governments will pursue constructive cooperation with non-governmental organizations (NGOs), private enterprise, and the people, to ensure that social development policies and programs are directed to meet the aims and aspirations of all social groups.

In line with the recommendation to adopt an area or local approach to social policy development, countries are urged to provide adequate support to local government plans and programs in priority areas of social development through direct central subsidies or grants. At the same time, through coordination, including matching grants or other means, the consistency of local plans with national objectives has to be ensured. Where not in place, legislation can enhance the powers of local governments to raise additional revenue, borrow, and increase their source of revenue. Program components can be transferred to local government units for implementation as part of an overall program

of devolution of functions. Decentralization is the preferred means of implementing social and economic development since their features require a unique local response. Where transfers of functions take place, however, they should not only be accompanied by adequate personnel and equipment, but also by a corresponding budget and organizational responsibility.

A major challenge to local governments is to render policies and programs that are as viable and effective as possible in changing development scenarios. Another concern is the determination of planning and management mechanisms relevant to local setting. The strengthening of local governments is primarily appropriate to the integration of social development efforts. There is a higher possibility that target groups can become participants through local mobilization and involvement.

Country Experiences

The Philippines

The Local Government Code was approved in October 1991 by the Senate and House of Representatives as a mechanism for substantiating the decentralization philosophy aimed at approximating powers, responsibilities, and duties to local political units. To address the financial concerns, the provinces and lower political units were granted a definite set of taxing powers to exercise. Specific functions and responsibilities in health, education, and welfare services were devolved to the local government units. In all sectors, the insufficiency of financial resources required to achieve the desired goal has been cited as one of the drawbacks of decentralization. Likewise, the uneven administrative and technical capability of local government units, including the local boards, constitutes a major hindrance to the maximization of decentralization benefits. Other areas of concern include the reluctance of some personnel at the central office to transfer responsibilities, personnel, and equipment to local governments perceived as incapable of fulfilling their duties; and the fear of local elitism. Some issues that hinder the GO/NGO relationships include the lack of a common definition of NGOs

since they range from institutions to spontaneous peoples' movements; confusion between the term NGO and private sector; selection of prospective partners; and dealing with GO bureaucracy. It was recognized that the degree of support of political leaders, appropriate design of policies and programs, and resources could affect the success or failure of programs.

Thailand

Decentralization of administrative authority is one of the 15 measures enunciated under the political and public administration policy of the government. Specific areas of the country have been decentralized. Increased authority is given to local governments in the formulation of development policies. In the field of education, the scope of responsibility was defined. Educational institutes were given more options in the implementation of policies and the provision of support to individuals and organizations involved in education activities. Regional health centers were established for curative, promotive and preventive health care. In social welfare, functions and responsibilities were deconcentrated to the field level. Some decentralization features include increased local participation in administration; shift of revenues to local governments; election of local administrators at all levels; and independence in the formulation of local policies. The case study revealed the feasibility of intersectoral collaboration and coordination at the local levels. A major area of concern is the current seeming duality in central level functions with direct control over devolved units.

Indonesia

Although there is an administrative framework for decentralization, there is much debate concerning the extent of delegation of responsibility and decision-making powers that must be devolved to regencies. Decentralization has been viewed as the empowerment of units with specific boundaries to manage their own affairs within the context of national unity according to the prevailing rules.

Geographical variations have been noted in the process of decentralization in all social sector services as the nature of

vertical and horizontal linkages vary. Duality exists in terms of the role of the central and local governments which may have consequences in the program operations, particularly in terms of resources mobilization. The success of decentralization has to consider the availability of qualified personnel, infrastructure, and funding. Priorities in health and education are set, including packages for school dropouts. The duality of functions at the hierarchical structure of government renders the implementation of decentralization programs rather nebulous.

Vietnam

The 7th Party Congress reiterated its support to local autonomy where the People's Committee is mandated to implement the terms of the Constitution and the resolutions of the People's Council. Power distribution and local level initiatives have been emphasized in the redefinition of the functions and tasks of the provincial, district, and commune levels. In social welfare, the Vietnamese concept of self reliance is operationalized in local programs aimed at poverty alleviation, employment, and social support to children, the elderly, the wounded and invalids, and orphans. In health, the role of grass roots health workers in service delivery is notable.

In education, it has been enunciated that all societal strata must be mobilized to build self reliance and ensure universal primary education. The People's Committee takes responsibility for personnel recruitment and promotion, and service delivery.

Summary of Intercountry Comparisons

There has been a historical base of decentralization in the Asian region. In Indonesia and Vietnam, these are mainly colonial legacies. In Thailand, the initiative occurred some 40 years before and in the Philippines, with the advent of the Aquino regime. It must be noted, however, that this tenet was mainly in the form of pronouncements, and not much attention was given to its implementation in the form of succinct guidelines that differentiate roles and functions. Mandates on policies do exist supportive of decentralization (5-year indicative plans of Thailand;

constitutions and national congress party decisions in Vietnam; local government code in the Philippines; and the Indonesian policy in 1974, with a subsequent presidential mandate of autonomy for all regencies in 1997). However, a gap between policy formulation and program plans is noted. Despite the policy statements, the top down approach is still being adopted, with the guidelines being provided to local governments implementing the program. There has been a recognition that if decentralization is to be adequately operationalized, local government units should be involved in identifying their own social needs, mobilizing resources, planning and implementing their own programs, and evaluating them. These could be catalyzed by peoples' participation and involvement of non-governmental organizations (NGOs) and people's organizations (POs). The different countries of the region are at various stages of implementation of the decentralization program according to their social, political, and economic situation. For Vietnam, the political structure is in place and power is vested upon the people's committees and non-governmental organizations to plan and implement programs, including the recruitment of personnel for the social sector. The Philippines has a local government code but is confronting problems regarding its first stage of implementation which are related to resources mobilization, capability building, and interagency relations. As Indonesia moves into the full devolution phase by 1997, it will address a number of concerns regarding the operationalization of the program, particularly the issue of functional duality and specific guidelines. Thailand has to grapple with the linkage between its policy pronouncements and plans. Differential perceptions between central ministries and local government units as to the definition of decentralization and its operationalization occur. There is a need for a standardized approach to understand decentralization, which requires more information and orientation programs. Case studies at the local levels indicate that decentralization could well work if the leaders are committed to its basic tenets and are able to mobilize their resources within the spirit of national unity. The key is the organization that is capable of recognizing the problems, learning with the people, and building institutional capacity through its action. Effective leadership at the lowest level is the critical factor in the implementation and sustenance of decentralization initiatives. Lack of skills for organizational tasks may be addressed by the traditional legitimacy; knowledge of informal processes; and capacity to mobilize support. Involvement of NGOs and POs in

decentralization requires identification of areas of complementarity and cooperation. Variations in decentralization mechanisms emanate from differences in administrative structures and linkage. For example, in Vietnam, the People's Committee at all levels plays an important role in program formulation; while in the Philippines, the local government units take over the devolved functions of the social sector without the corresponding resource base. Differences in entry points exist in Indonesia where the regencies and municipalities are the defined base, while in the Philippines, Vietnam, and Thailand, the province is the base from which devolved functions emanate.

Synthesis of Findings

The three major features of decentralization in the Asian region are: (1) explicit policy pronouncements of transfer of authority from the central to local governments; (2) empowerment of local government to identify and mobilize resources; and (3) recognition of the significant role of local organizations in partnership with local governments in governance. While in some countries, there was an explicit indication of how social services will be devolved to the local levels (Philippines and Vietnam); in others, the delineation remained broad (Thailand and Indonesia). Challenges and problems were extricated in program implementation. New devolved functions require a number of adjustments for local governments, especially in the implementation of specific programs. It was recognized that the effective implementation of decentralized social sector program is dependent on predetermined conditionalities such as an effective structure, a working bureaucracy, and mutually reinforcing inter- and intra-government relations. Another issue is the internalization of the notion of public accountability among local government officials. Governmental and political process needs to be democratized through a system of popular participation. Likewise, skills are required for program planning and resources mobilization.

A clear delineation of tasks and responsibilities is called for in the light of the reluctance of central ministries to transfer responsibilities.

Differential perceptions have been noted between representatives of the central ministries and local leaders. The imbalance between functions and resources has been bewailed.

The mismatch between the existing organizational structure and the requisites of decentralization has been expressed together with the need for a system of checks and balances.

Country experiences have shown that effective decentralization schemes build up over time. Confusion usually characterizes local government administration during the initial period before administrative rationality takes effect. However, with time progression, a smooth transition occurs.

The process involved in decentralizing central government functions to the local governments is an equation between resources and the functions devolved. There are usually less resources for the social services to be managed by local governments. What needs to be done is for local authorities to maximize their resource mobilization strategies and expand the financial base.

There is also a need to upgrade the skills of local governments for efficient delivery of social services and management of programs. The increasing complexity of governance requires a high level of competence and technology at the local level.

Corollary to improving local government skills is the critical assessment of current organizational structures in provinces, regencies, cities, and municipalities, which are basically not responsive to the problems of local government administration. Most local government structures require structural and organizational modifications.

On the part of the local government units, the lack of clear-cut guidelines hinders effective management. The foremost concern is financial - the inability to raise funds for the salaries of the local social sector personnel and finance the equipments and infrastructure. Secondly, the mechanics for the implementation of decentralized programs particularly in the areas of prioritization, situation analysis, formulation of plans, monitoring and evaluation have not been sufficiently detailed. There is a definitive heterogeneity in the capability and educational attainment of local officials. The manuals that are centrally formulated limit this comprehension.

It was bewailed that instructions are too vague or generalized such that interpretation hinges largely on the significance attributed to the issue by the local leaders.

On the part of the sectoral workers, confusion arose in the shift in authority from the central agency to the local government. There is a great deal of insecurity generated as a result of either the reluctance of the local government leader to absorb the functions of social sector and the lack of capability to manage programs. The differential perspectives (between LGUs and the sectoral agencies) accounted for the inability to deliver the services adequately. There is a feeling that policies and guidelines still emanate from the central level and transferred to the local levels for implementation despite the policy pronouncements on decentralization.

Despite policy pronouncements on the virtue of decentralization, the prevailing bias lies on the dominant role of central authority. It has been recognized that central ministries, the NGOs, and local governments possess resources and skills that can complement each other. Therefore, these entities must be linked such that their strengths and weaknesses are counterbalanced. The requisite for adaptation is clear since decentralization in the social sector operates on an incremental basis by improving on experiences. The case studies revealed the significance of community participation for the mobilization of local resources and the adaptation of programs to local conditions.

During the transition periods, the social sector agencies can initiate measures that would create long-term impacts on the sustainability, efficiency, and effectiveness of programs. The central agency must contribute the perspective, technical leadership, relevant and timely information, and resources to assist local governments evolve a structure and operational system that will respond to the needs of the community.

Specifically, the line agencies must focus on the following:

a.) *Local governments' capacity to meet social services demands*

Local governments will take over social sector programs and staff having capacities to provide services. However, with the sizeable investments that the central agency has put into the delivery system over the years, e.g., training, equipment, and vehicles, the local governments are acquiring a system which seems reasonably maintained.

The reconfiguration and readjustment of existing structures call for increased capability - resources, skills, and organization - to meet the needs.

Within the decentralization context, the following capacities need to be strengthened:

1. Planning and management of devolved programs - the activities involved in planning for social development are the analysis and definitions of goals and objectives; the identification of action components; delineation of relationship between goals and actions; and determination of the optimum interventions mode to maximize results. Various approaches include increments in program frameworks, adjustments to alternative scenarios, cluster analysis of interacting elements (health, education, and welfare); and participatory mechanisms in implementation.
2. Targeting and target setting relate to definition of priorities which essentially requires both qualitative and quantitative mechanisms. Goal selection is linked to identification of target groups. Goals achievement could be deterred by resource constraints, lack of capability of implementors, and inadequate monitoring.
3. Resource mobilization - Decentralization can lead to tangible results if it is combined with resources sufficient to permit its implementation. The failure of some programs in terms of equity may be due to a lack of definition of goals and congruent actions in relation to funds allocation.
4. Coordination and collaboration - Identification, planning, and implementation of social programs are more likely to be better coordinated at the local level since the targets, through the community organization, can be participants in social development per se.

b) *Identification of priority programs and services*

The second critical concern of the local governments is the delineation of the tasks and functions of the social sectors. What programs, services, outputs, and benefits should be produced by the municipal, provincial, and village offices? What tasks, activities, projects, and processes should they undertake? Clearly, the leaders and managers in the localities will have the mandate of prioritization of programs.

It is essential that technical standards are adhered to by local governments. It is important to provide modalities so that social sector projects are adequately implemented under the devolved system.

c) *Structural and functional relationships between and among central, provincial, city, and municipal offices*

Each social sector must work harmoniously with other agencies if beneficiaries are to be provided with the social services in the area. Therefore, links and relationships are important between municipalities, cities, and provinces; between field units; between public and private and NGO service providers in a locality; between service providers and others to impact on welfare.

Complementary to local governments, the central agencies must undertake the following:

- a. Establish the mechanism to make service delivery operational at the local level;
- b. Create the environment to institute program modification for efficiency and effectiveness in the social service delivery;
- c. Assist the local governments to prioritize issues and relevant programs that are cost-efficient;

- d. Facilitate institutional and organizational linkages relevant to institutional viability, effectiveness, and impact.

For social sector decentralization to function, the following structures need to be in place:

1. Viable vertical and horizontal linkages involving the local offices and central agencies;
2. Coordination and cooperation;
3. Continuous information flow to local social sectors; and
4. Communal decisions regarding resource allocation, program prioritization, and operational directions.

Role of GOs and NGOs in Social Sector Decentralization

The non-governmental and people's organizations offer in their partnership with local government units their experiences in the development work. Their mandate extends beyond being service providers or links to the grass roots. They provide a venue for people's participation in decision-making and program planning. The civil society represents a counterbalance to the government and ensures that people are given the primary responsibility in determining their future. Sustainable social sector development addresses the need for a modality that does not undermine future resources. Equitable development seeks an answer to the issues of poverty, social justice, and security by proposing a development strategy that is inclusive, just, and participative. Sustainable development works not only on programs and projects, but through efforts at building a broad policy framework that is people-oriented. From the government perspective, the rationale for decentralization is clear: local needs are more effectively responded to at local levels and local government means less bureaucracy and red tape.

NGOs contribute in various ways to addressing social development goals and targets of local governments. Whether they are directed toward specific groups or cover a wide range of interest, these NGOs supplement local government efforts to alleviate the conditions of the population. The intervention of NGOs involved in people-centered development efforts would have a far reaching impact on the social sectors. NGOs focus on building people's capacities to engage meaningfully in the tasks of providing basic health education and welfare services. They, in partnership with local governments, are able to target and reach the grass roots, mobilize concerted action to gain access to information, and identify appropriate mechanisms to achieve goals. They can promote and assist people's organizations by unleashing their creative potentials and restore their motivation to meet their aspirations. ⁴

Experiences of the constituent countries reveal that NGOs can be effective for mobilizing community support and enabling people to organize, plan, and mobilize resources to meet their needs. If the civil society is to plan an important role in social development, through decentralization, they could: (a) act as intermediaries for LGUs to translate real needs and remove barriers to program implementation; (b) facilitate and strengthen organizational capacities of LGUs through optimal use of resources; and (c) identify and advocate as partner with LGUs to make the necessary administrative, policy, and institutional reforms.

Monitoring and Evaluation

The quality of information at the local level is relatively better since many local government social programs are area-based and target-focused. To assess the relative effectiveness of devolved programs, it becomes imperative to provide baseline information for monitoring progress. Monitoring and evaluation have dual functions: (a) for planning and management; and (b) advocacy and legislation. Baseline data provide LGUs with information needed to assess inputs and optimize the achievement of goals and targets. In disseminating information regarding the magnitude of concerns, performance, and the viability of targets, there is a need to evaluate the effectiveness of the program and the implementors.

The types of indicators relate the inputs for intervention; the expected outcomes; and the processes for linking the two (Table 6). To appreciate the evaluation mechanism, the interrelations between the goals have to be linked with action plans. It is important that these expected outcomes emanate from a contextual social analysis of the area, and efforts are linked to the management and planning schemes. The inputs, processes, and goals can be further clustered and reordered. Areal analysis through the use of indicators could provide focus for social sector service delivery with the use of maps that identify places with large concentrations of the disadvantaged or marginalized.

TABLE 6

**Monitoring and Evaluation Indicators
for Assessment of Decentralized Programs
(Qualitative and Quantitative)**

Inputs	Processes	Outcomes
<ul style="list-style-type: none"> * Financial and technical support * Political support/will * Administrative structure * Design of programs * Guidelines and processes * Coordination arrangements * Monitoring indicators * Physical infrastructures/ resources * Policies/laws * Information 	<ul style="list-style-type: none"> * Policy making at lower level * Identification of program priorities * Hierarchical congruence in definition of decentralization, its process and objectives * Profiling of staff * Adequate allocation and disbursement of funds relative to goals * Effectiveness in planning, budgeting and implementation of programs * Transfer of funds, power, functions * LGU's control over programs * Support at all levels * Technical and manager skills (training provided) manuals * Internal communication * Structural and functional linkages * Local people's involvement * Participation of NGOs/POs at all stages of process * Types and number of services devolved, referral facilities * Level of coordination * Management information system * Extent of adherence to standards * Extent of public accountability * Inter-agency coordination and networking 	<p>Efficiency</p> <ul style="list-style-type: none"> * Performance of providers * Complementarity of tasks of NGOs/ LGUs/CAs * Resource mobilization * Program sustainability * Capacity to provide services * Relevance of programs * Capability of staff <p>Equity</p> <ul style="list-style-type: none"> * Coverage * Access to different services * Empowerment and self-reliance of providers and beneficiaries * Partnership between LGUs/NGOs * Attitude and perception of key actors <p>Effectiveness</p> <ul style="list-style-type: none"> * Eradication of illiteracy * Improvement of health status * Increase level of education * Poverty alleviation * Cost effectiveness of programs * Installation of technical standards * Improvement in quality of life

Issues and Concerns

The following concerns have been drawn from the integration of findings:

1. Inadequate financial resources to meet the costs of devolved programs;
2. Reluctance of the central ministries/bureaucracy to transfer responsibilities, personnel, financial resources, and equipment;
3. Fear that the devolution process would lead to exploitation and abuse by local leaders;
4. Lack of capability of local officials to formulate and implement their own programs as well as mobilize local resources;
5. Current organizational structure does not lead to effective decentralization;
6. Inability of implementors to adhere to the technical standards of the social sectors;
7. Inadequate information for prioritization and appropriate program design;
8. Lack of clarity in roles and responsibilities of the LGUs, NGOs, and central agencies;
9. Concerns over power sharing between LGUs and NGOs; differential interpretation of how devolution should proceed;
10. Public accountability and transparency;
11. Lack of support of political leaders and bureaucracies;
12. Inadequate design of programs;
13. Need for appropriate indicators for monitoring and evaluation;
14. Need for institutionalization and sustainability of the sectors.

Project priority areas for decentralization have been delineated as follows:

1. Resource mobilization strategies
2. Identification of information needs for program planning, advocacy, and sensitization addressed to:
 - a. Central agency ministries
 - b. Local government leaders
 - c. Field agents/program implementors
 - d. NGOs/POs
 - e. Beneficiaries
3. Information dissemination and advocacy mechanisms
4. Training of local leaders and sectoral program implementors
5. Extrication of process and outcome indicators for monitoring and evaluating decentralization efforts
6. Formulation and field testing of operational/implementation guidelines

Area-Based Social Sector Planning Features

The following features are considered relevant in an area-based social sector planning and strategy:

1. local government leaders with the assistance of NGOs and POs are the managers in the planning and delivery of social sector services (health, education, and welfare in their respective territorial jurisdiction);
2. application of interrelated management strategies promoting the decentralization principles and people empowerment to achieve poverty alleviation, equity, utilization of local resources, sustainability, and continuity of services;

3. encouragement of teamwork, coordination, and collaboration at all sectors and levels;
4. focused targeting of priority areas and beneficiaries;
5. community-based approach (consensus in decision-making, community organization, enhancement of local capability);
6. social mobilization for people's participation in planning and decision-making;
7. networking and linkages to maximize resources and facilitate the management process;
8. capability-building (seminar-workshops, on the job training, technical assistance);
9. development of information system (community-based) at all levels;
10. identification of appropriate strategies for generating financial resources.

The evaluation of decentralization programs hinges on the following:

1. Congruence of goals at all levels (vertical and horizontal)
2. Ability to address local issues through culturally appropriate and acceptable methods
3. Self-reliance and sustainability of programs
4. Multisectoral involvement at all phases of program planning
5. Improvement of the quality of life of communities

Training Needs

The broad areas for training have been identified as follows:

1. Situational analysis of communities for problem diagnosis and appropriate interventions;
2. Identification and prioritization of problems including the assessment of their magnitude, severity, and extent of public awareness of issues;
3. Plan formulation incorporating goals, objectives, target setting, strategies and specific programs;
4. Implementation, monitoring, and evaluation mechanics;
5. Activity and resource planning/budgeting; and
6. Medium-term fiscal/Investment plans.

Specific modalities could be:

1. Area-based social sector planning;
2. Integrated approach to local social sector management;
3. Specific sectoral indicative plans; and
4. Modular or incremental strategies.

Information Needs

The following information needs have been determined:

1. The rationale for decentralization in the context of the overall development process;
2. Socio-economic situation of area;

3. Definition of decentralization at all geographical levels and its mechanism with particular reference to the social sector;
4. Political structure;
5. Components of the social sector decentralization and related programs;
6. Social sector planning - relevance, processes, tools and agency responsibilities;
 - planning steps and analytical procedures
 - role of the social sector in long-term development planning at local level
 - role of NGOs, POs, local development councils in the management of social programs
7. Social sector management;
 - funding sources and allocation
 - management of social sector personnel
 - maintenance of physical assets
 - activities
8. Evaluation of performance and outcomes.

Esman and Uphoff posited that there are several reasons for supporting local governance. ⁶

1. ***Pragmatic politics.*** Some central leaders know that attempting to repress or control local governments -- some of which have deep and long-standing roots -- would deplete their resources and their legitimacy. Except where LGUs threaten the state, the prudent policy is to live and let live. If local people organize, government can deal with them to mutual advantage as long as they work within the mandates of the system. Since they represent the constituencies, LGUs can even be helpful, providing services and support that the state may find valuable in exchange for the right to operate and draw some benefits from the system.

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2. ***Controlled bureaucracy.*** Some political leaders have more positive reasons for working with local organizations. Tension often results from the mistrust between central agencies and local leaders on whom the former must rely for the implementation of policies and program. Central agency leaders often feel the insecurity that local leaders can be a means for keeping bureaucracies responsive both to the priorities of government and to the needs of the public. Moreover, LGUs, in partnership with the civil society, can help reduce the problems of bureaucratic corruption or non-performance of duties.
 3. ***Information exchanges.*** Resources and services provided by governments are likely to be misused unless they are appropriate to the intended recipients. This requires accurate information about the needs, priorities, and capabilities of communities. Such information is more likely to flow from local government units. Thus, local governments may wish to have the constituents organized, not necessarily to control them, but to enable the LGU to perform its activities more effectively.
 4. ***Resource mobilization.*** Most governments have scarce resources, particularly in developing countries. Local government units can, if the incentive exists, mobilize a considerable amount of materials, money, labor, and even managerial skills by expanding its limited resources and producing both economic benefits and political satisfaction at relatively low cost. There are also valid reasons for LGUs to require counterpart contributions from communities, so as to have more vigorous and responsible local organizations. Central governments can increase the resources they allocate to development by working through local governments that have sufficient membership to match resources with functions.
 5. ***Political support.*** Most central governments are interested not only in maintaining but also in expanding their political base. To be recognized as helpful to LGUs, to move resources through these organizations, and to accord them legitimacy and respect, may be a relatively low-cost way for politicians to protect and expand their support base among their constituents.

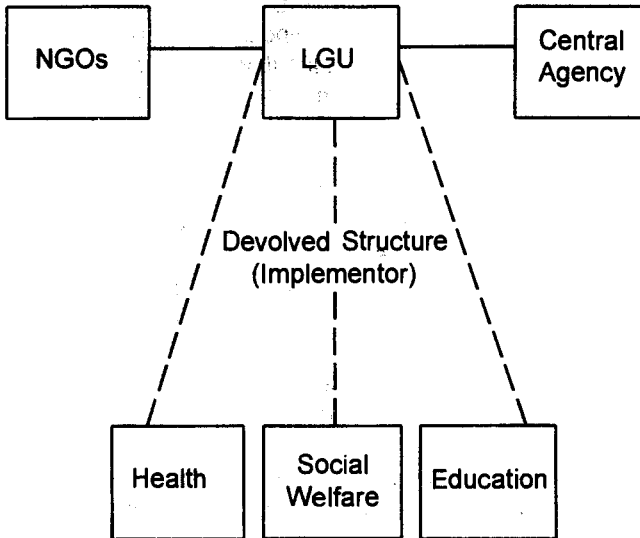
6. **Social order.** Politicians and senior bureaucrats in power are concerned with avoiding problem. Discontent frequently flares into violence, which can be costly and politically destabilizing. The price of a reasonably contented constituency may be the demonstration of interest in the welfare of disadvantaged people, including the ability to communicate with them, to cater to their most pressing needs, to stimulate self-help among them, and exchange services for support. Governments that desire to maintain social order may find it more profitable to work with and through organized local units than to rely primarily on the selective distribution of patronage or on coercion.

Effective and enduring social structures are not built overnight. Therefore, there can be no quick fixes for local governments. The time constraint can be reduced by drawing existing networks of various agencies into programs intended to enhance their productivity and well-being. Where such networks do not exist, efforts to introduce and assist local government are an important part of any government or private effort to promote broad-based social sector development.

Figure 6 succinctly diagrams the linkage among the key actors in the implementation of decentralized programs as they operationalize the programs for education, health, and social welfare at the local level. The interactive linkages catalyze the planning and implementation of the social sector programs at the local level.

FIGURE 6

**Decentralization in the Social Sector:
Interaction of Key Agencies**



Werlin posits that decentralization and community development should be undertaken within an institutional framework that is politically elastic. The problem is not so much of administrative organization as administrative orientation. It is suggested that a framework be developed that defines institutional arrangements providing incentive and disincentive structures appropriate to the completion of the tasks.⁶

The broad ranges of interrelated social issues confronting the Asian region require a forceful, coordinated, and multisectoral initiative aimed at dealing with the situation at its roots. Decentralization of social sector programs to local government units could be an instrument for addressing the pressing social problems and the attainment of the enunciated goals and targets.

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